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The Nation's Business

Wheat Pool's Future

Necessity Dictates Course of Action

Mr. Ferguson and London Appointment

END OF ROAD FOR WHEAT POOL

THE Wheat Pool experiment must be regarded as finished. The experiment has definitely proved one thing, that there cannot be founded upon the pooling idea a better and more satisfactory method of selling Canada's grain than is to be found in the open market system. That indeed should have been regarded as proved as long ago as last August. At that time The Financial Post urged that reorganization of the pools should take place, that members who did not desire to continue in them should be released from their contracts, and that their aims should be restated. In spite of the abuse and misrepresentation to which this paper was then subjected the advice was sound. Had it been followed a good deal of the pool structure might have been saved for useful service to farmers, millions of dollars now irretrievably lost to pool members might have been saved, and the finances of western provincial Governments would have been in much better shape.

But those in charge of pool organization pushed blindly on, and pressure from outside sources which might conceivably have saved their situation to some extent was not applied. Now, under pressure of events, control has passed from their hands. The future of their organizations depends not upon their steering, but upon necessity.

* * *

THE prospect of the liquidation of the Central Selling Agency doubtless caused some alarm when it first appeared. It may be that the western premiers, when they made their eastern trip, with the object, as stated by Premier Bracken, of "saving the economic structure of the west," believed that such an event would have such a depressing effect upon grain prices that every effort should be made to avoid it. But liquidation has been openly discussed, has been proclaimed throughout the world as hourly impending, and under that probability wheat prices improved instead of falling further. Such a prospect simply means the passing of control of the pool's wheat into stronger hands, those of the Canadian banks, the restoration of the open market as rapidly as possible to its complete functioning, and the fullest possible employment of all the agencies of that market throughout the world for the sale of Canadian wheat. Even if formal liquidation is delayed, the banks, which in essence are now in control of the situation, must, for their own protection, insist upon more proper and more efficient use of the machinery of the open market for the sale of pool wheat.

* * *

WHAT is to be done, or what can be done, with respect to the provincial pools, is a matter for longer consideration. Whether their members have any equity left in the gigantic elevator systems, which were built up with money retained from the proceeds of their grain, is not yet clear, and how those elevators may be operated in future will require study. The terminal elevators are doubtless worth all they cost, but many of the country elevators are unnecessary duplications. The ultimate solution should provide for some reduction in the number of country elevators operated.

Some measure of prompt relief for pool members who have not yet delivered their grain should be provided. In present circumstances it can do no one any good for these farmers to be forced to go on putting their grain in the hands of the pool, merely adding to its difficulties, and leaving them with less money than they could otherwise get for their grain. Subsequent legislation would be necessary to validate such a step, but the provincial legislatures in any event are going to be called on at forthcoming sessions for legislation in respect to the pools.

* * *

THE cost of the pool experiment to Canada has been enormous. It is not to be measured by the loss of the pool members of the "reserves" they thought they were accumulating, or even by the lower prices they have received for their grain as compared with farmers outside of the pools. Such losses as the western provincial Governments may suffer on account of the ill-advised guarantees of pool borrowings they gave last year are only a part of it. Another part is to be found in the low prices now being accepted for grain which should have gone into consumption at higher prices many months ago. The greatest loss is to be found in the disruption of our market abroad. To some extent this is due to attempts made to establish a different system of "direct selling," as opposed to employing long established trade channels, and even to a greater extent in European restrictive policies against the importation of wheat. Other causes undoubtedly contributed to those policies, but to a considerable extent at least they were the natural and inevitable reaction of consumers to what appeared to be attempts on the part of producers to hold them up for higher prices, especially when world wide organization of wheat producers for the purpose of getting higher prices was talked of. The experiment of the Farm Board in the United States with its clumsy and inefficient attempts to hold up world wheat prices was based on a belief in the success of the Canadian Pool, and it

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CAR FIRMS EXPECT JOBS BY YEAR END

Anticipate Railways Will be in Market Shortly

SHORT TIME NOW

Position of Two Principal Operators Stronger Than for Many Years Past

From Our Own Correspondent

MONTREAL.—Railway rolling stock equipment orders are expected to be placed before the end of the year. While there is nothing definite to go on at present, the intimation has been made to the largest operators that work would be forthcoming.

Both Canadian Car and Foundry Co. and National Steel Car have little work going through their plants in past weeks. The big carry-over from the fiscal year 1929 was finished long ago and in the last few months, the value of work turned out has been negligible.

The sharp decline in railway earnings following upon the smaller movement of freight traffic, effectively put a crimp in prospects for further equipment orders. At present the railways have surplus equipment and are not in any immediate need.

There is a certain amount of replacement work necessary, however, due to obsolescence, etc. This work is not large under normal circumstances and does not provide much business for the car companies.

Expect Smaller Orders

In the present instance, it is believed that the Canadian National and Canadian Pacific lines will place orders for new equipment, though the volume and value of the work naturally will be of limited proportions.

The two principal car companies, namely, Canadian Car and National Steel, would welcome additional business at this time. From the standpoint of operations the former has been inactive, but, on the other hand, its financial position is satisfactory. It is possible for the company to carry on for some time without additional business and to maintain dividends.

Finances Sound

At the end of last year, September 30, Canadian Car had a net working capital of over $7,000,000, largely represented by cash and investments. The income from special reserves will go a long way during the current year to meet the preferred stock dividend. Only a small amount of business would be needed in order to provide sufficient income to take care of this item.

The loss of the war claim, through which it was expected that the treasury would be enriched by some $3,000,000 or $4,000,000, has not affected the financial position of the

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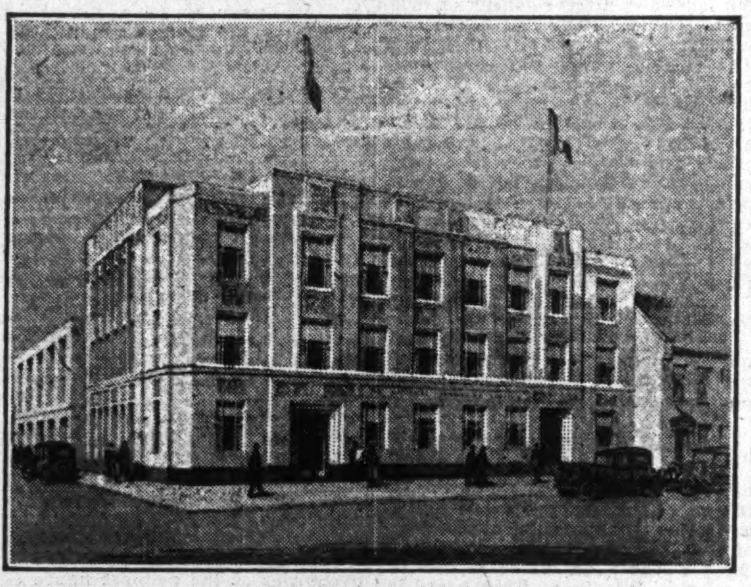
National Breweries New Head Offices



Architect's drawing of the new office building in Montreal which is under construction for National Breweries, Ltd. The structure, which will be completed in 1931, will comprise a basement and three stories. Foundations have been built to carry ten stories which will be added as required. The new building adjoins the present head office of the company.

Wheat Guarantee Given By Ottawa Until Bennett Back

Decision Came Only After E. W. Beatty Appealed To For Aid

DETAIL OF PROPOSALS

Inside Story of Wheat Parleys Reveals McFarland as Pool Manager Without Salary

Federal Government makes provisional guarantee of bank loans of 58 cents on Pool wheat.

John I. McFarland appointed sales dictator for Pool.

On Premier Bennett's return, wheat question will be re-opened.

With banks protected against loss, Pool wheat is in strong hands. No forced liquidation necessary.

Pool reorganization seen as necessary.

The wheat market, in relation to the Western farmer, held the centre of the national stage last week.

With prices falling below 60 cents per bushel the premiers of the three Prairie Provinces left for the East on Saturday, November 15, and negotiations for a solution of the crisis opened in Toronto, subsequently were transferred to Ottawa and Montreal and closed on Sunday, November 23. The achievements, not yet published officially, comprised the reorganization of the Central Selling Agency of the Wheat Pools under the managership of John I. McFarland, and the giving by Rt. Hon. R. B. Bennett of a definite assurance, under certain conditions, of Dominion support to the Wheat Pools.

Bottom Price is 58 Cents

The exact nature of the federal assurance is in controversy. It has been denied that there is any unlimited guarantee by the Dominion of the banks against loss on account of Wheat Pool borrowings on the 1930 crop. It is believed, however, that a guarantee has been given on condition that it will not be operative unless wheat prices fall below 58 cents per bushel. This figure represents the average borrowings by the Pool from the bank on the new crop. The initial payment to the farmers this year began at 60 cents per bushel and was reduced later on first to 55 and then to 50 cents. Most of the new grain, however, came in on the 60 cent basis, and averaging up the Pool payments made to date, it is understood they are committed to the extent of 58 cents per bushel.

This arrangement is to continue only until Mr. Bennett's return when the wheat situation will be considered anew and when all parties, the Wheat Pools, the banks and the provincial premiers will be invited to Ottawa.

Proposals Now Published

The inside story of these negotiations has not been told, for the reason that none of the parties involved cared to endanger the outcome by untimely publicity. The actual proposals submitted by the prairie premiers, not hitherto published, were as follows:

1. That, without in any way interfering with the free movement or sale of wheat by grain companies and exporting agencies, the producers of wheat be assured of a domestic price of not less than 70 cents Fort William. This suggestion is based on the fact that producers of wheat today are passing through world conditions not of their making and that they should not be singled out as one industry that must work through these conditions unassisted by the State.

2. Failing this, that the Dominion Government, by guarantee or otherwise, assure the banks against loss in carrying on the Wheat Pool in an orderly way under such direction as they care to arrange to satisfy themselves that marketing is being properly carried out. This suggestion is based on the conviction that uncertainty as to the Pool's financial position may be the most disturbing factor today. It was also pointed out that the present initial payment was arranged with all the accumulated knowledge in Canada at the time as to the world's conditions and in the belief that it was a safe payment.

3. Failing either of these, that the Government establish a Stabilization Board with financial support to purchase wheat whenever the market falls below certain minimum levels. It was submitted that at present levels this action would involve a minimum of no loss and would not be accompanied by any of the dangers which surrounded the American Wheat Board when it first began operation with wheat at more than double present prices.

4. Aside from the above, it was suggested the Government might consider the advisability of instructing the Board of Grain Commissioners to enquire into short selling on the Winnipeg Grain Exchange with a view to proper action against offenders.

Upon receipt of these proposals, Sir George Perley, acting prime minister, called Mr. Bennett on the long distance telephone, discussed the question of policy and informed the premiers the government could

(Continued on page 2, col. 5)

Lake Superior Corp. Approves Agreement

From Our Own Correspondent

MONTREAL.—Directors of Lake Superior Corp. have approved the settlement arrived at between representatives of the corporation and the English bondholders, of the corporation's guarantee of the bonds of the Algoma Central and Hudson Bay Railway and Algoma Central Terminals.

Last year an agreement was drawn up, but the English bondholders failed to ratify it. At the time it was said that another agreement would not be on as favorable a basis. At present no information has been given out as to the details of the new understanding. This may appear toward the end of the current week, depending upon receipt of approval from London.

Bradshaw Likely to Quit Massey-Harris Co. Board

Frank P. Jones May Become Executive Head; Resignation of Former President Regretted, Though Appointment of New General Manager Has Been Forecast

Resignation of Thomas Bradshaw as a director of the Massey-Harris Co. is expected to follow his retirement as president and general manager, which was announced this week.

Frank P. Jones, former head of the Canada Cement Co., who has been a director of Massey-Harris for two years, is reported to have been offered the presidency of Massey-Harris Co. The offices of president and general manager are not expected again to be combined. No name has been mentioned as the probable appointment as general manager. It is likely that this appointment will depend on the wishes of the new president, whoever he may be.

Mr. Russell Acting President

T. A. Russell, vice-president, who has become acting president, is not likely to hold the office long. Mr. Russell has many other positions and is understood to be reluctant to confine himself to one job.

Mr. Bradshaw's resignation as the chief executive of Massey-Harris Co. was a surprise. Although a change in the executive personnel had been forecast for some weeks, it was believed that the pending reorganization would mean merely that Mr. Bradshaw would relinquish the duties as general manager and remain in the administrative post of president. This plan, which was believed to be in the interest of Mr. Bradshaw, evidently went awry.

It had been felt that Mr. Bradshaw's talents as an administrator would be used to the greater advantage of the company if he were freed of the executive detail of production and sales which ordinarily fall on the shoulders of a general manager.

Promotes Foreign Trade

Mr. Bradshaw has been with Massey-Harris Co. since 1920 and to him goes the greater part of the credit for carrying the company successfully through the period of deflation and readjustment following the war and to him is given the whole credit for having reconstituted the company in foreign fields, especially in Germany, where assets had been tied up during the war, as well as in France and Australia.

In the subsequent years, Mr. Bradshaw has been active in promoting the interests of the company in foreign countries. He carried through successfully the negotiations which led to the acquisition of the Case Plow Works at Racine, Wis., and with it the ownership of the Wallis tractor, which is a valuable asset to Massey-Harris.

Mr. Bradshaw's latest achievement is to have negotiated an affiliation with the McKay interests in Australia which will offset the disadvantage which Massey-Harris suffered this year as a result of the drastic changes in fiscal policy in the Commonwealth. Details of this arrangement have not been announced, but it is believed that the complete plan will be either in the annual report, due in February, or will be presented to the shareholders at the annual meeting ten days later.

On the occasion of Mr. Bradshaw's election as president of the North American Life in 1928, it was thought that he might resign from the Massey-Harris executive to assume an active direction of the insurance company.

Has Had Varied Career

Mr. Bradshaw is primarily an insurance man, an actuary of note. He is the author of at least two books on insurance. He began his insurance career with the North American Life and later was an executive of the Imperial Life. He was for a number of years a partner of A. E. Ames & Co., where he became an authority on municipal bonds.

At considerable personal sacrifice, Mr. Bradshaw from 1916 to 1920 was city treasurer of Toronto, an office which he filled with great ability, and to him has been given the credit for putting the municipal finances on a sound basis.

He joined the Massey-Harris Co. as treasurer in 1920, and became general manager, and later vice-president and general manager. He has been president and general manager since the last annual meeting, on the elevation of J. N. Shenstone as chairman of the board.

In connection with the report that F. P. Jones may become the executive head of Massey-Harris, it is interesting to note that the same report was circulated in 1928 when Mr. Bradshaw became president of the North American Life.

WALKER HOLDS BEST POSITION TO GET TRADE

Selling Agency For Atlantic Exports Waits Only Percentage Decision

PRICE-WAR IS ENDED

No More Credit For Ships' Masters Getting Liquor at St. Pierre et Miquelon

Although there has been no official announcement, it is believed that the Big Three among Canadian distillers—Hiram Walker-Gooderham & Worts, Distillers Corp.-Seagram's and Canadian Industrial Alcohol—have agreed to split the Atlantic export market on the basis of 35 per cent for Walker, 35 per cent for Distillers Corp.-Seagram's, 15 per cent for Canadian Industrial Alcohol and the balance of the business to go to various smaller producers of whiskey which have been marketing through St. Pierre et Miquelon off the Cape Breton coast.

It is understood that the reason for the delay in announcing the organization of a central selling agency is that, while the plan is settled in principle, there still is discussion as to the exact percentage to be allocated to the three big companies. It is stated that Walker will not agree to a proposal that 38½ per cent go to Distillers Corp.-Seagram's, 27½ per cent to Walker and 17½ per cent to Canadian Industrial Alcohol.

Walker in Strong Position

Walker, it is contented, is in the strongest position in the bargaining although the last to enter the St. Pierre et Miquelon market. Formerly, Walker met the United States demand for its product by sales direct from warehouses on the Detroit river.

On the cessation of exports across the Detroit, Walker moved to St. Pierre et Miquelon and found the other two Canadian distillers entrenched there. A great deal of business there was done partially on credit and for a time Walker refrained from competing on this basis. Within a few weeks, however, Walker became a factor by underselling all competitors on a cash basis and the buyers of the liquor were found ready to deal on that basis because the Walker cash price was only slightly higher than the down payment demanded on other brands.

As Walker was in the strongest position, financially, of any of the Big Three, it soon became apparent that it could withstand the price-war for the longest time. Moreover, the Walker brands are better known in the United States than are the brands of the other companies, with the result that the other companies found their trade diminishing.

G. and W. in Bahamas

From this situation was born the idea of a central selling agency which would control on a percentage basis and at a price which would give a reasonable profit to all concerned, the trade which went through St. Pierre et Miquelon. It is possible that the agency will extend its activities later to the Bahamas. The latter is a field which, until recently, was left, so far as Canadian distillers are concerned pretty well to Gooderham & Worts, the second of the Walker companies.

Continuance of the price-war was not desired by any of the companies and a constructive step which followed the entrance of Walker into the Atlantic trade was the elimination of credit. It is believed that the price to be fixed will vary slightly between brands, with Canadian Club commanding the highest price of any of the Canadian rye whiskies.

Stabilization of the St. Pierre et Miquelon liquor export trade will be a helpful factor in the case of all three companies. From an investment point of view, Canadian Industrial Alcohol has been suffering not only from loss of volume but because of the controversy in the courts over the Sir Mortimer Davis estate. Distillers Corp.-Seagram's requires to do some further financing and while this will wait on the improvement in the money markets, it would not be possible, in any event, while the St.

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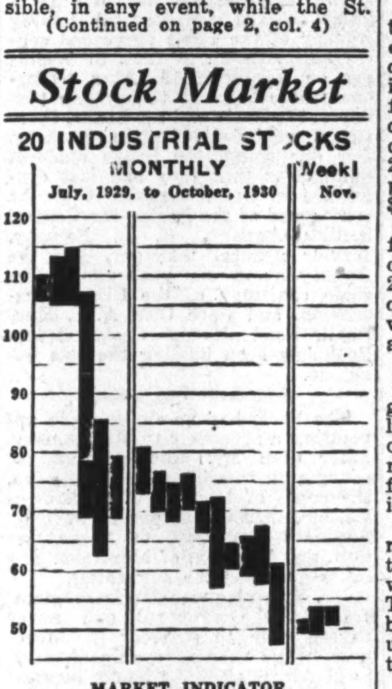
Stock Market



MARKET INDICATOR

	High	Low
20 Industrial Stocks		
Week of Nov. 25	53.5	50.8
Week of Nov. 18	53.5	49.3
Month of Nov., 1929	87.4	66.7
8 Bank Stocks		
Week of Nov. 25	245	242
Week of Nov. 18	246	243
Month of Nov., 1929	280	256
10 Public Utilities		
Week of Nov. 25	84	81
Week of Nov. 18	83	80
Month of Nov., 1929	103	89

Position of Investment Companies Is Comprehensively Analyzed This Week

Investment trusts are not the solution of all the problems of the investor. There is no magic in the term and the investor must use as much or greater care in selecting an investment company into which to put his money as in selecting any other form of investment.

The soundness of the investment trust principle is not in question. But since the market crash of 1929, it has been apparent that many investment companies on this continent departed dangerously from the sound principles of investment companies in Great Britain.

Canadian investment companies were not without fault. But analysis of the Canadian group—in so far as facts are available—shows that Canadian investment companies came through the crash better than many in the United States.

Beginning on page 11 of this issue, The Financial Post presents a comprehensive, yet succinct review of the position of Canadian investment companies. Individual investors who have invested, or are contemplating investment, in such companies will find this article a worth while contribution to their information on the subject.

U. S. A. Investment In Canadian Plants Is $1,960,320,000

Exhaustive Analysis Shows Manufacturing Ranks Only Third

LITTLE U. S. CONTROL

Feature of American Branch Plant is Tendency Early to Become Canadianized

By LAWRENCE STAFFORD,
Washington, D.C.

WASHINGTON.—Direct investments of American capital in Canadian business enterprises are more than twice as great as those in any other country. This and other pertinent facts regarding these investments are revealed in a report written by Paul D. Dickens, of the finance and investment division of the U. S. department of commerce.

This class of investments in Canada totals $1,960,320,000 and is divided among 1,024 items. Yet the extent of the manufacturing interests of this country in the Dominion as shown in this study is probably considerably under what has been popularly believed. There is shown a marked tendency for the American subsidiary or branch to become Canadianized. Actual number of branch factories of manufacturing concerns of the United States is small beside the number of subsidiaries.

Manufacturing Ranks Third

In the distribution of these investments it is shown that transportation and communication companies have accounted for a larger volume than manufacturing. Mining and smelting, and paper and pulp enterprises were third, and fourth, respectively.

Among the motives for investment of American capital in Canada, Mr. Dickens cites the Canadian tariff policy. Presence of natural resources is another factor, notably in pulp and paper companies.

Mr. Dickens does not attempt in this study to describe the complete picture of all American investments in Canada. He excludes what he terms "portfolio investments," or securities publicly offered through the international securities movement. Likewise, he does not take account of investments of Americans resident in Canada or other countries or of purchases of Canadian National, Canadian Pacific, or government bonds, and other items which would bring the total American investment in the Dominion to more than $3,600,000,000. Holdings of acceptances and other forms of short-term capital are also left out of the picture and the investments of private individuals in the stock of foreign corporations, although extensive.

Actual Value Shown

Figures include those commercial and industrial properties situated abroad from which a return is normally expected. What it is attempted to set forth is the actual value of the properties of American business men. While the results are not designed especially to show the extent of American manufacturing development in Canada, they give considerable light on this subject.

One of the outstanding facts revealed in the report is that these direct investments are far greater than in any other country. The $1,960,320,000 placed in Canada by Americans compares with $918,957,000 in Cuba, the second largest total; $682,536,000 in Mexico, third; $485,235,000 in Great Britain, fourth; $422,593,000 in Chile, fifth; $331,819,000 in Argentine, sixth; $216,514,000 in Germany, seventh; $193,606,000 in Brazil, eighth; $145,009,000 in France, ninth, and $113,216,000 in Italy, tenth.

Comparison With Continents

Canada may even be compared with whole geographical sections. Her near two billions of direct investments from the United States may be set against $1,352,753,000 in Europe, $1,053,751,000 in Cuba and the West Indies, $917,093,000 in Mexico and Central America, $1,547,895,000 in all of South America, $102,229,000 in Africa, $394,540,000 in Asia and $149,154,000 in Australia and New Zealand.

Thus, the North American member of the British Commonwealth of Nations stands out as the favorite for extension of American manufacturing and business enterprises.

Although in comparison with other countries Canada is the most important field for direct investment, the extent of United States control in the Dominion is not nearly so great as is often stated, according to Mr. Dickens.

Manufacturing Over-Emphasized

Investments by American corporations in Canadian-controlled manufacturing organizations are not nu-

(Continued on page 2, col. 3)

Barcelona Strike Has Little Effect

Officials of Barcelona Traction, Light & Power Co. report that no damage to property was sustained by the company during the strikes and labor unrest in Spain which largely centred about the area in which the company operates. While power consumed by industries in the area was reduced during the period, no other effect was felt.

Industrial activity has been resumed to a large extent and no further reports of labor difficulties have been received. The output of the company for the first nine months of the year was reported at 10 per cent ahead of the corresponding period in 1929 and October figures, which will be available shortly, are expected to be very satisfactory.

Since the latter part of October, the exchange situation has been considerably improved although the peseta is still far below par. A second shipment of gold was made to London by the Spanish government early in November and other shipments are expected to follow. In this event still further strength can be expected.

BRUCK PLACES SILK PLANTS ON FULL TIME

Orders on Books Will Cover Three Months Work

DEFICIT LAST YEAR

Adverse Balance of $34,000 Expected After Making Provision for All Charges

From Our Own Correspondent

MONTREAL.—Operations at the plant of Bruck Silk Mills, Ltd., are being conducted on a full time basis. All equipment, including the 96 looms installed in a plant addition early in 1930 have been operated at capacity since November 1.

Outlook for a maintenance of present activity is considered satisfactory. Orders on the books are sufficient to keep the plant busy for the next three months; changes in the tariff regulations have played a part in the betterment in plant operations.

Earnings Are Lower

Earnings for the year ended October 31 will show a decline. It is expected that after bond interest, depreciation and payment of $75,000 in dividends on the common, the financial statement will show a deficit of about $34,000. This will compare with net profits of $395,260 in the previous year and a surplus of $205,000 after payment of $75,000 in dividends.

The decline in profits found a reflection in recent suspension of dividend payments. Interim payments of 25 cents a share had been paid quarterly since February, 1929, but were discontinued in August. There are 100,000 shares of common issued.

Stock Shows Improvement

The stock, however, has shown greater strength marketwise recently and at current levels of around 7 on the Montreal Stock Exchange represents a gain of about 4 points from previous levels. The high during the current year was 26¾.

While the financial statement has not yet been published it is expected to show inventories substantially written down and reduced in volume. Though difficulties experienced will be reflected in lower earnings, treasury position has been well maintained.

Bruck Silk Mills was forced to reduce its operations to 70 per cent of capacity earlier in the year. In June and July sales and profits fell below those of the same months in the previous year due to prevailing conditions in business generally.

Capacity Was Doubled

Productive capacity of Bruck Silk's plant at Cowansville was doubled early in 1930. In January the addi-

(Continued on page 2, col. 1)

EAST. DAIRIES TO BUILD UNIT IN HAMILTON

Construction of Modern Plant to be Begun Shortly

EARNINGS HIGHER

All Departments Show Gain at End of First Seven Months Operation

From Our Own Correspondent

MONTREAL.—Eastern Dairies, Ltd., will build a complete modern dairy plant in Hamilton. Plans are virtually completed and construction may be begun before the end of the year.

Heretofore Eastern Dairies has served Hamilton with products shipped from its Toronto plants, the new unit will draw its basic requirements from surrounding territory and will supply the city and its environs. No financing in connection with the new unit is contemplated.

The addition to Eastern Dairies' chain is a reflection of progress made during the current year. Sales and earnings during the first seven months operations to October 31 have been gratifying and business in all departments has shown gains over the corresponding period of last year.

Progress in All Areas

This betterment in business has not been confined to any one area in which Eastern Dairies operates. Toronto has shown good gains following the consolidation of the Acme Dairy and Farmers Dairy into Acme-Farmers Dairy, Ltd. In Ottawa, Montreal and Winnipeg, progress has been made, while headway made in Hamilton has resulted in the present plans for erection of a complete dairy unit.

Milk sales have been a contributory factor in higher earnings, while output of all by-products manufactured by the company has been contracted for for the year. These by-products include dry milk powder, condensed milk and casein manufactured at Sydenham, Napanee, Ottawa and other plants.

Butter Market Less Active

The butter market is on a less active basis, but is nevertheless an added source of revenue. Whether prices will seek a higher level this winter depends, according to those in touch with the situation, on the way the Australian trade agreement is carried out. Prices of butter at present are 10 cents lower than they were last year at this time.

Betterment in earnings of Eastern Dairies has been reflected in the recent declaration of a dividend on the common stock. It also indicates a satisfactory liquid position which is understood to have been improved considerably during the year. At the end of the last fiscal year, March 31, 1930, working capital amounted to $244,405.

Shares Widely Distributed

Shares of Eastern Dairies have been widely distributed and the company numbers many farmers among its stockholders. In Hamilton, also, where the new plant will be built the company has over 200 shareholders.

As yet it is too early to estimate earnings for the current year. Indications are that they will exceed those of last year when net earnings totalled $724,987 or the equivalent, after all deductions, of $1.16 a share on the common stock.

In October, 1930, an initial dividend of 25 cents a share was paid on the common shares with the intimation that the stock was being placed on an annual dividend basis of $1 a share. There are 74,009 common shares outstanding. In addition there is issued $2,500,000 of 7 per cent preferred, while in May,

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BRUCK PLACES SILK PLANTS ON FULL TIME

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tion was completed and 96 looms brought into operation. The addition was financed out of current earnings.

The company manufactures pure and artificial silk, which it weaves into silk dress goods. Complete operations of manufacture are carried on under one roof while the company maintains its own dyeing plant. It is loaded silk, however, that bulks largely in total output of the company. This product was first included in the company's lines in 1926 and since that time a good market has been built up. Loading silk represents the treatment of lower grade silks with a chemical solution whereby the original material is built up and weighted to resemble high-grade silk. Sales of this material have shown substantial gains and it has largely been the demand for this product that has necessitated the plant expansion undertaken last year.

The company's progress has been rapid though, like other silk manufacturing concerns, recent events have shown that it is sensitive to general business conditions to a material degree. Further, there has been a tendency toward overproduction in the industry which probably aggravated the difficulties which confronted Bruck Silk in the past year.

The company was formed in 1921, but public investment interest dates from the time of its bond issue in 1925. In that year $350,000 of the present issue of 6½ per cent bonds was offered with a bonus of 4 shares of common with each $1,000 bond. The common stock was listed on the Montreal Stock Exchange in February, 1929, previously it was traded on the Curb.

Split Four For One

Active trading sent the shares up to 95 in 1928 and a split of four for one was announced in November of that year. An initial dividend of 25 cents a share was paid in that month.

Earnings in the year ended October 31, 1929, were a record in the company's history amounting to $395,260 as compared with $246,241 in the previous nine months period. While sales in the early part of the current year showed promise, a substantial decline became apparent later on resulting in the reduced earnings which will be revealed in the forthcoming financial statement.

EAST. DAIRIES TO BUILD UNIT IN HAMILTON

(Continued from page 1)

1929, $3,000,000 of 6 per cent collateral trust bonds were offered publicly.

Financed Major Step

These bonds were issued to finance what constituted a major step in the development programme of Eastern Dairies, namely the acquisition of the Farmers Dairy in Toronto. Eastern Dairies had previously served that territory through the medium of Acme Dairy, but the consolidation placed the new company Acme-Farmers Dairy in a strong position in this field.

The company has been expanding steadily since its inception in 1926. Operations are presently conducted through four main operating subsidiaries. These comprise Elmhurst Dairy, Montreal; Producers Dairy, Ottawa; Crescent Creamery, Winnipeg, and Acme-Farmers Dairy, Toronto. In addition, Eastern Dairies owns various smaller dairies operating in these cities and surrounding territory.

Built Elmhurst in 1928

The last addition made to property in the form of new plant was the Elmhurst Dairy in Montreal, completed in 1928. This unit embodied many modern features of dairy equipment and its business has shown good gains.

Shares of Eastern Dairies have been somewhat stronger on the Montreal Curb Market and are currently selling around 19, a gain of 2 points from the low for the year. The high point during the current year was 29.

U. S. A. INVESTMENT IN CANADIAN PLANTS IS $1,960,320,000

(Continued from page 1)

merous or large. On the other hand, Canadian minority interests in American subsidiaries in Canada are numerous, and interest is frequently substantial, states the author of the report. Reasons for believing that extent of U. S. manufacturing investments in the Dominion are smaller than is usually stated are that there is too often a tendency not to distinguish carefully between all investments and those that are purely manufacturing, or to recognize American companies that are merely represented, whose products are handled in Canada. There is also a tendency to overestimate, especially when some purpose will be furthered by bigger totals, it is added.

Mr. Dickens lists 524 investment items in the class of manufacturing industries with an aggregate investment of $540,593,000. This compares with $541,471,000 invested in transportation and communication, $400,000,000 in mining and smelting, $278,875,000 in paper and pulp, $85,711,000 in miscellaneous enterprises, $55,047,000 in the petroleum industry, $37,874,000 in selling concerns, $15,000,000 in agriculture, and $5,749,000 in fisheries. The number of paper and pulp investment items is 46; mining and smelting, 123; transportation and communication, 76; petroleum, 14; selling, 117; agriculture, 15; fishing, 14; miscellaneous, 95, and total of all items making up the $1,960.320,000 of direct investment, 1,024.

The following table shows the classes of American manufacturing investments in Canada, their number, and value:

Class	Investments	Value
Automotive vehicles ...	6	$56,097,000
Automotive accessories .	32	11,117,000
Other vehicles	5	2,101,000
Pharmaceutical products	32	7,478,000
Paints, varnishes, dyes, etc.	19	4,162,000
Toilet preparations ...	22	6,755,000
Other chemicals	40	26,441,000
Electrical and telephone equipment supplies .	22	55,890,000
Cereal products	12	22,079,000
Beverages	7	5,867,000
Other foodstuffs	32	25,387,000
Agricultural and industrial machinery	46	60,320,000
Other machinery	16	7,896,000
Iron and steel products	13	30,612,000
Hardware	52	34,510,000
Silverware, etc.	6	3,334,000
Other metal products .	20	19,949,000
Leather and products .	3	843,000
Lumber and products .	37	51,104,000
Rubber products	8	47,493,000
Stone, clay and glass products	7	3,552,000
Clothing	18	4,883,000
Other textiles	21	14,284,000
Miscellaneous manufacturers	48	38,439,000
Total	524	$40,593,000

Of the 524 items of direct American investment in Canadian manufacturing enterprises, only 78 are listed as direct branches, while 389 are subsidiary companies, 36 are investments in foreign concerns and 21 are assembly plants. That American industry in the Dominion tends to acquire the nationality of the adopted country was suggested by Mr. Dickens in his report.

"It has frequently happened since 1900 that American citizens have started a company in Canada in association with Canadian citizens," he said. "Sometimes such a company has been predominantly American at first, but gradually a larger and larger proportion of the stock has been acquired by Canadians, either through direct purchases or by purchases on the various stock exchanges. The domicile of Canadian corporate bonds changes with equal rapidity."

Causes for heavy American investment in manufacturing in the Dominion have been the proximity of the two countries, which minimizes the element of uncertainty and difficulty of control and supervision; similarity of legal, social and political institutions; presence of a large population with a high standard of living, and the Canadian tariff. On the latter, Mr. Dickens said:

"A tariff policy which not only favors Canadian industry in the Canadian market but also gives some advantages in other markets of the British Empire."

Operation of direct branches in Canada is of minor importance when compared with subsidiary companies incorporated under Dominion or provincial laws, according to Mr. Dickens. Plants operating as branches are usually small, owing chiefly to laws regarding incorporation and registration. Since there is no provision for registering under Dominion law, incorporation is the plan most often adopted.

WALKER HOLDS BEST POSITION TO GET TRADE

(Continued from page 1)

Pierre et Miquelon situation was unsatisfactory. Walker was fortunate in having completed its financing before the break in the stock markets and at the present time is in bettter position to bargain than is any of the other companies.

Profits Will Grow

Peace among the distillers exporting liquor through St. Pierre et Miquelon means that Walker regains a large part, if not all, of the market lost when the Detroit border was closed. It also means that there is now less danger of the $1 dividend on Walker being eliminated or reduced. It has been intimated from a quasi-official source that the dividend can be earned from the Atlantic business alone if the scale of prices is maintained at the level tentatively agreed upon and if Walker gets anything like a third of the business. It is pointed out that the prices per case at St. Pierre et Miquelon have little bearing on the price paid by customers in the United States.

The annual meeting of Hiram Walker-Gooderham & Worts, Ltd., which was held at Walkerville on November 21 was attended by a large number of shareholders from Canada and the United States. The shareholders were told that the report for the present fiscal year, which ends August 31 next, will be better than the report for the year ended August 31, 1930, when $1.04 was earned on the stock on which $1 was paid.

Expenses Are Lower

As had been previously intimated, the company plans not to build further its stocks of maturing liquor, the present inventory of approximately 140,500,000 gallons being deemed sufficient reserve for all possible demand. This will mean a reduction in operating expenses and render unnecessary provision for further storage.

With the exception of about $1,300,000 in cash, the company's reserve of $8,000,000 has been invested principally in government bonds. J. F. Lash, K.C., a director, intimated that the directors might consider returning to shareholders a portion of the cash reserve except that, as the company's capitalization is entirely in common stock, a special act of parliament would be required to authorize such a procedure.

Directors were re-elected and the directors named the same officers as for the previous year. The list is:

H. C. Hatch, chairman; W. J. Hume, president and general manager; F. Wellington Haym, vice-president; Fletcher Ruark, secretary and treasurer.

The directors are H. C. Hatch, F. K. Morrow, J. F. Lash, E. D. Gooderham, W. H. Mara, H. F. Marriott, W. S. Ranier, Toronto; W. J. Hume, Walkerville; F. Wellington Hay, Listowel; [illegible]an McLeod, Glasgow. The executive committee is H. C. Hatch, F. K. Morrow and W. J. Hume.

WHEAT GUARANTEE GIVEN BY OTTAWA UNTIL BENNETT BACK

(Continued from page 1)

not accept any of them. The prairie premiers, after a few hours delay, returned to the prime minister's office and renewed their representations and were again turned down.

At this point the western premiers got in touch with Mr. Bennett and endeavored to convince him of the imperative need of assistance along one or other of the lines suggested. Mr. Bennett declined to change his mind.

Position Then Modified

The scene then shifted to Montreal and it is believed the banks and the leading business men made direct appeals to Mr. Bennett.

Mr. Bennett under repeated urgings modified his position to the extent of making two counter proposals. The first was that the Dominion would agree to bear one-half the loss sustained by the banks in carrying the Pools. The other half was to be borne by the banks.

The banks declined to agree to this arrangement and subsequently Mr. Bennett offered to advance to the provinces out of the Dominion treasury any monies needed to carry the Pools through the present crisis, provided the provinces would guarantee repayment. The provincial premiers, being already heavily involved by reason of their guarantee of the 1929 crop declined to accept aid on this basis.

Beatty Appealed To

So the negotiations dragged on and finally it is believed after a personal appeal by E. W. Beatty, president of the C. P. R., Mr. Bennett reconsidered his earlier decisions and gave the banks the desired assurance. The representatives of the banks came to Ottawa on Sunday morning where the Federal government confirmed Mr. Bennett's verbal commitment.

The negotiations for the reorganization of the Central Selling Agency of the Pools proceeded concurrently, began in fact, in Winnipeg on November 15. At a conference there between the prairie premiers, the Pools and the banks, there was a good deal of plain speaking. For one thing, the banks made it quite clear that they had lost confidence in the management of the selling end of the Pools—the Central Selling Agency. E. B. Ramsay, former general manager, left the Agency about one year ago to become chairman of the Grain Commission, and since then A. J. MacPhail, head of the Saskatchewan Pool, has been holding the two positions.

Successor Suggested

The Pools had no objection to appointing a successor to Mr. Ramsay, other than Mr. MacPhail, and in canvassing possible men for the job, the name of Premier J. E. Brownlee, of Alberta, was put forward by Premiers Anderson, of Saskatchewan, and Bracken, of Manitoba. The Pools endorsed the suggestion.

Mr. Brownlee was far from enamored of the proposal and never agreed even to consider it. Moreover, while very favorably disposed to Mr. Brownlee, the banks inclined to the view that the situation called for an expert grain man rather than a lawyer.

Mr. McFarland Proposed

Mr. Brownlee, agreeing with them, suggested John I. McFarland, of Calgary. Mr. McFarland was manager of the Alberta Pacific Grain Company and is a grain man of outstanding reputation. In fact, at Mr. Bennett's request, he was a member of the Canadian delegation to the Imperial Conference.

The newspapers got hold of the Brownlee suggestion and for a time it was commonly believed he would be the new head of the Pools. There never was any truth in the report, but no announcement could be made pending Mr. McFarland's decision as to whether he would undertake the task. He was, at that moment, on the Atlantic, en route home from the Conference.

Would Take No Pay

Mr. McFarland, it is understood, has agreed to take on the new job but laid down a few conditions which surprised both Pools and banks and which redound greatly to his credit. The salary, it was agreed, should be $18,000 per year. Mr. McFarland stated, however, he would do the job to the best of his ability as a public service. He will accept no salary and no pay other than bare expenses. Moreover, he will not promise to stay longer than is necessary to put the Pool in ship-shape condition—if such a thing is possible — and weather the present storm.

Then he will retire to private business. At the moment the belief is that Mr. Brownlee will succeed him, in fact be the next permanent general manager of the Central Selling Agency.

TO BE SALES DICTATOR

WINNIPEG.—Definite announcement as to the immediate future of the wheat pools is expected to follow the meeting of the board of directors of the Central Selling Agency of the three wheat pools which is now in session in Winnipeg. That board is made up of three representatives from each of the three provincial pools and before announcements are made, it may be necessary for the respective boards of the provincial pools to be consulted.

Discussions between the three western provincial premiers the Dominion Government and the banks which were in progress all last week have been brought to a conclusion. One definite fact emerged from the examination of the wheat pool's position, that it was impossible for its affairs to continue on the same basis as formerly.

Information Before Board

The suggested appointment of John McFarland, of Calgary, who has just returned from London where he acted as Premier Bennett's advisor on the wheat situation was an acknowledgement of that fact. The idea was for Mr. McFarland to be appointed general manager of The Central Selling Agency, but his acceptance of such a position would undoubtedly involve the conferring of full powers on him, and taking control of the situation out of the hands of the directorate of the selling agency. It would also, it is believed involve the adoption of methods decidedly different to those employed up to the present in the conduct of Pool affairs. The three provincial premiers, whose Governments are involved in guarantees of bank loans on the 1929 pool wheat, and the banks, whose advances on the 1930 crop are unsecured, are heavily interested, and consequently have played the major part in developments, now, the whole situation, and the information which has been recently obtained on pool affairs, is being laid before the board of the Selling Agency.

MARKET STRENGTHENS SOME

From Our Own Correspondent

WINNIPEG.—The best that can be said for wheat prices is that they are better than they were. The market has recovered from the extreme weakness displayed one day last week, and went up ten cents a bushel from the low point, but some of the gain was lost at the beginning of the week.

Uncertainty as to developments in the Canadian Pool situation, which is being watched in every quarter of the world, has been an unsettling factor. There is a general feeling that definite announcement as to decisions reached will clear the air. No alarm is felt at the present prospect, either of liquidation or of drastic change in method of dealing with pool wheat, the feeling being that buying brought directly into the market will more than offset the increased selling through the local market, which is considered to be a likely development. Already there are some indications that buyers abroad have become interested in protecting their future requirements.

Argentine Crop Next

Once the Pool situation is settled, development of the Argentine crop is likely to be an important factor. That crop is still expected to be materially larger than last year, in spite of its undoubted reduction by rust, and the Australian prospect continues good. On the other hand the Russian movement which has been a heavy, bearish factor in the market in recent months appears to have come to an end, and the United States market is so far off an export basis that further export sales seem almost out of the question from that quarter. On the whole, gradual improvement seems to be taking place in the situation as a result of heavy world consumption and world shipments of wheat, and continued marketings from Canada on a considerable scale. Heavy shipments from this country within the next two months, before the full force of Argentine and Australian shipments is felt are hoped for.

Little More Encouraging

The general feeling both in the local trade and in reports from correspondents abroad is somewhat more encouraging than ten days ago, with a prevailing belief that wheat prices could make a fair advance from present levels without reducing consumption. The somewhat artificial condition of the United States market, due to recent buying by the United States farm board is likely to put speculative and investment buying into this market instead of into Chicago, whenever conditions are felt by traders to be sufficiently encouraging.

CAR FIRMS EXPECT JOBS BY YEAR END

(Continued from page 1)

company. There was no expense involved in this claim, the outlay being borne by the lawyers. Had the company been successful it was proposed to place the money in the special reserve, the income from which would then have been sufficient to take care of preferred dividends.

Fortunately the management did not bank on receiving this claim, so that its finances have not been affected in the least degree. With the present strong cash position, the company is able to maintain its dividends for some time to come, at least until it is possible to determine accurately the outlook for earnings.

National Steel Strong

National Steel Car has also developed a strong financial position. It, too, can maintain the present dividend rate without trouble. During the first quarter of the current fiscal year, ended September 30 last, it was reported that dividends for the quarter were earned more than twice over. The company's cash position was said to have shown an improvement since the close of the last fiscal year.

At the end of July, National Steel Car had a net working capital of $1,552,337, or nearly three times as much as at the end of the preceding year. Bank loans had been reduced from over $2,300,000 to less than $80,000. Current assets showed cash and call loans totalling $670,000 and inventories at the nominal figure of $1,675,000.

Operations of this company, like Canadian Car, have slowed down. Efforts have been and are being made to widen the scope of activities, so as to assure a more stable income. To that end the company recently formed National Boat Builders Reg'd. to engage in the manufacture of boats for use with outboard motors. It is hoped through the medium of this subsidiary, to keep the company's woodworking equipment in more continuous operations during otherwise slack periods.

Dividend Needs Set

Under the present set-up, Canadian Car needs $1,165,150 and National Steel Car $260,000 to take care of dividends. Neither company has a funded debt. While there is no doubt but that both concerns could pay these dividends over the next year without impairing working capital position, it is questionable as to whether or not the dividend will be earned.

A fact to take into consideration is that income from investments will play a more important part in this year's financial statement. During the past fiscal year Canadian Car reported $143,011 from this source. There is reason to believe that the company will be in a position to show double that amount at the end of the current year.

National Steel Car has not separated its income, so that it is not possible to determine the amount received from operations and that received from investments. Disregarding the amount set aside for depreciation, the company has been able to build up an actual surplus of $2,000,000 or more last year. While the amount actually invested is indeterminate, there is reason for believing that a fair amount will be received this year from investments.

Can Do With Half

Last year Canadian Car did approximately $26,000,000 worth of business, while National Steel Car turned out products to the value of $18,580,000. It is not expected that either company will handle as much this year, but even allowing for a decline of 50 per cent, net earnings would be sufficient to take care of dividends, making due allowance for special income.

It is generally conceded that net profits of the car companies amount to about 10 per cent of the value of business handled. On that basis Canadian Car could earn its dividend on $13,000,000 worth of business, while National Steel Car could carry forward a surplus on $9,000,000 to $10,000,000 of business.

Prospects of earning the dividend this year, therefore, depend largely upon the action of the railway companies. The awarding of contracts within the next four weeks will be a basis upon which it will be possible to determine with some degree of accuracy, the trend of earnings.

C. P. R. Plans Branch Line

The Canadian Pacific Railway plans to construct eight miles of new lines on the Kettle Valley branch, connecting Vancouver and Penticton at the southerly end of the Okanagan Valley. The contract will run into about $600,000.

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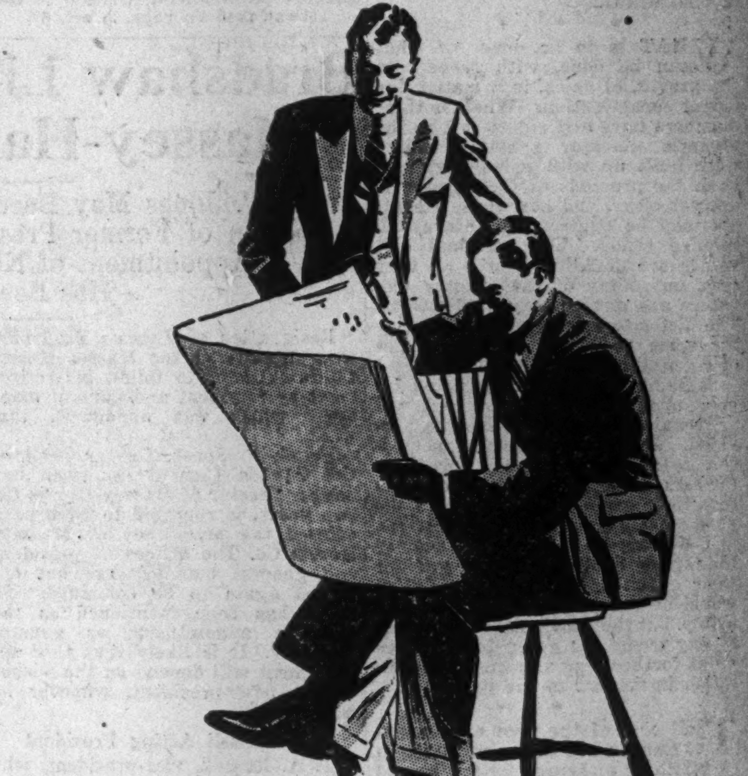

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ZIMMERKNIT RECEIVERSHIP TO BE LIFTED

Reorganization Plans Are Based on Offer Made From Woods Interests

NEW MONEY COMES IN

Bankers, Creditors, Bondholders and Shareholders Are Considered in Proposals

Bankers, bondholders, creditors and shareholders of Zimmerknit, Ltd., are all considered in a plan of reorganization which bondholders will be asked first to approve at a meeting in Hamilton at noon on December 17, in the office of the Royal Trust Co.

This plan entails the passing of control to a group represented by J. Douglas Woods, the York Knitting Mills, Ltd., and Woods Underwear Co., Ltd., the provision of $100,000 in new money by this group and the securing of $250,000 additional by a mortgage issue prior to the present first mortgage bond issue which would therefore have to take second place in order to have these desirable changes brought about.

Present bondholders are asked to take two-thirds of the present face value of their bonds in a new second mortgage bond issue and one-third in preferred stock, as well as to cancel accrued interest. Preferred shareholders are asked to take four new no par value common shares for each preferred share held and present common shareholders are offered one new common share for each ten shares now held.

Higher Duties Aid Reconstruction

It was only in August 14 last that G. T. Clarkson was appointed receiver and manager upon the application of the Royal Trust Co. for the bondholders. He has not had to wait long for an offer which promises as well as can be expected for all concerned. It is believed that one reason why influential support has been ready at this time is because the textile industry, long languishing because of increasing competition from abroad where wage scales are lower, is now receiving more tariff protection than for years with the possibility of additional aid at the session of next spring.

J. Douglas Woods, who heads the York Knitting Mills and Woods Underwear Co., is a son of Sir James Woods of Gordon Mackay & Co., which has a substantial shareholding in York Knitting Mills and Woods Underwear Co. These companies are well run, well financed, and have the most modern machinery available for the manufacture of their products. They have had good success in marketing their products. Under these auspices there will be many economies through eliminating duplicate sales machinery, dividing manufacturing activities and in other ways. Mr. Woods will have under his management the Hamilton plant of Zimmerknit, the Toronto plant of Reliance Knitting Co. and the Woodstock plants of Harvey Knitting Co. and Hosiers, Ltd., in addition to his own mills.

The new proposals may best be understood by considering the capital structure of Zimmerknit, Ltd., the present company, and that proposed for Zimmerknit Co., Ltd., the new company, as shown below:

Capital Structure of Zimmerknit

1st. mtge. & coll. trust 6% S. F. gold bonds	$750,000
7% cum. pref. stock, $100 par	850,000
No par value common stock — shares issued.	31,250

Subsidiary Shares Held

1,105 preferred shares Harvey Knitting Co. out of 1,139 issued; 3,986 common shares Harvey Knitting Co. out of 4,000 issued; 1,000 common shares of Hosiers, Ltd., which is all issued.

Capital Structure of Proposed New Company

1st. mtge. & coll. trust 6% 20-year S. F. gold bonds	$250,000
2nd. mtge. & coll. trust 6% 30-year S. F. gold bonds	500,000
7% pref. shs. of $100 par (cum. after 4 years)	250,000
No par value common stock—100,000 shs.	

Security Holders Step Down

The present bondholders are asked to exchange their first mortgage shares for second mortgage shares and 7 per cent preference stock of the new company, receiving two-thirds in face value of the new company second mortgage bonds in return for two-thirds of the face value of the present mortgage bonds, the remaining one-third of the present mortgage bond equity being satisfied by preferred stock equal in par value to the face value of present bonds exchanged for it. Overdue interest on the present first mortgage bonds will be cancelled.

Holders of the present 8,500 preference shares will receive 34,000 no par value common shares of the new company as well as an option to buy common shares of the new company at $5 a share on the basis of one new common share for each present preference share held. The latter option will be good for one year after distribution of shares and securities among shareholders of Zimmerknit, Ltd.

Holders of the present 31,250 common shares will receive 3,125 common shares of the new company, being one new for 10 old shares.

New Money Comes

New money for Zimmerknit Co. will come from the sale of $250,000 first mortgage bonds and 3,750 common shares of the new company on the basis of $100 for each $100 bond and 1½ shares of common stock as a bonus. Arrangements have been made for a substantial part of this amount being provided on the above basis by directors of Zimmerknit and by certain large bondholders of Zimmerknit while Zimmerknit creditors will be asked to accept first mortgage bonds and common shares of the new company in satisfaction of their claims.

The maximum amount which can be expected from present preferred shareholders if they were to take full advantage of the opportunity given to buy common stock would be $42,500. The total of new money from this source is problematical but there will be $100,000 by the sale to J. Douglas Woods, York Knitting Mills and Woods Underwear Co. of 25,000 no par value common shares of the new company for $100,000. The new purchasers also are given an option for five years to buy 25,000 more common shares or any part thereof for $5 a share.

The management of the new company will be in the hands of J. Douglas Woods and his associates, who propose to coordinate the activities of the new company and its subsidiaries with the companies with which they are now associated and which carry on similar businesses. Operating agreements between the new company and these companies are promised as part of the plan of reorganization.

The common shares of the new company set aside for the preferred and common shareholders of the present company will be placed in a voting trust, and voting trust certificates will be issued by the trustee to the shareholders. The voting trust will continue for five years and the trustees will vote the shares to ensure Mr. Woods' control of the new company during such period. Two members of the board of directors will be selected by J. Douglas Woods and the other members will represent the interests of the shareholders and bondholders of the new company.

Approval of the bondholders, preference and common shareholders of Zimmerknit and of the receiver and manager for the bondholders must be given before the plan is effective. In accordance with the Ontario Companies' Act, the plan as affecting preference and common shareholders will also be submitted to a judge of the Supreme Court of Ontario as well as to special general meetings of security holders and shareholders concerned. The receivership will be terminated as soon as the Court approves, but the plan may be altered as G. T. Clarkson, receiver, or the Court, may consider necessary or advisable.

As of July 31, 1930, the actual position of Zimmerknit as compared with the position after this reorganization are shown in the following table:

Zimmerknit Assets Before and After

	Actual July 31, 1930	New Co. July 31, 1930
Trading assets:	$	$
Cash	8,297	8,297
Receivables, less res.	183,092	183,092
Inventories	807,819	a 732,819
Deposits & prepd. items	50,220	50,220
Sale of 1st mtge. bds.	....	250,000
Sale of common stock	....	100,000
Total	1,049,428	1,324,418
Trading liabilities:		
Bankers advances	641,136	641,136
Creditors	73,211	73,211
Accrued expenses	11,559	18,984
Inc. tax for prior periods	7,425	....
Bond int. accrued	22,500	....
Res. to cover damage claims, contingencies, cost and expenses	(b)	97,500
Total	755,831	830,831
Working capital	293,597	493,587
Lands, bldgs., plant & equip., appraisal val.	1,455,393	840,587
Goodwill	400,001	1
Bonds issued	750,000	750,000
Preferred issued	850,000	250,000
No. of common shares	31,250	65,875
Equity of com. shares	499,191	329,375

(a)—Less reserves. (b)—Reserves shown in actual balance sheet showed $20,000 for contingent claims, $25,000 for inventory depreciation and $4,800 for minority shares of Harvey Knitting Mills not owned.

National Steel Car Forms Subsidiary

From Our Own Correspondent

MONTREAL. — National Steel Car Corp. has formed a subsidiary, National Boat Builders, Reg'd. Faced with the problem of keeping its woodworking equipment in more active operation during slack periods, National Steel Car has decided to manufacture motor-boats for use with outboard motors.

In 1929, National Steel Car installed woodworking equipment in its plant involving an outlay of a substantial sum. When not used for railway car construction, this equipment will now find an outlook for its activities in the manufacture of motor boats.

It is understood that boats will be built this winter for the 1931 season.

FELDSPAR GLASS TO OFFER NEW STOCK

Shareholders' Meeting is Forerunner of Reorganization Procedure

A special general meeting of shareholders of the Feldspar Glass, Ltd., was held at the company's offices at Oshawa, Ont., on Saturday, November 22. Since the beginning of this year the plant has come into production and it is reported that signed contracts on hand are sufficient to keep the plant busy for several months. New stock will be offered.

An advisory committee has been appointed to formulate plans for refinancing and reorganization in the near future. This reconstruction will also involve a change of name, a move which was mooted some time ago but which was not carried through.

Changes have recently been made in the factory management, the plant now being in charge of Alfred R. Watson, formerly cost accountant with Dodge Brothers Canadian organization.

Feldspar Glass, Ltd., was organized some years ago to develop a process of making glass from feldspar and has so far chiefly devoted its attention perfecting and developing the manufacture of molded glass bottles.

The authorized capitalization of the company is $1,000,000, consisting of 100,000 shares of 8 per cent preferred stock and 900,000 shares of common stock, both of $1 par value. All but about $50,000 has been issued, this amount remaining in the treasury.

It was announced at the meeting that a further $10,000 of stock would be issued immediately, preferably to present stockholders, in order to finance the business on hand.

Contracts on hand cover supplies of milk bottles for dairies and a large order from Orange Crush, Limited for molded bottles of the special type used by that concern.

The present capacity of the Oshawa plant is about 20,000 bottles, or from 10 to 12 tons, per day. Production costs are stated to be considerably below those of glass made by ordinary processes, while the product is said to possess a "non-breakable" property in a high degree in addition to other technical advantages.

Feldspar, the basic material of the process, is obtained from the company's own deposit near Perth, in Lanark County.

The head office of the company is in the Royal Bank Building, Toronto, and the president is W. J. McCallum, of the firm of Lamport, Ferguson & McCallum, barristers. Other officers and directors are Arthur Heald, secretary, and James Langskill of Toronto, A. H. Acres, Ottawa, and Irvine Dibblee, Montreal.

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FARMERS' CO-OP. GRAIN OPTIONS RESULT IN LOSS

Share Earnings of 18 Cents Compare With 80 Cents in 1929

Earnings from trading of United Farmers Co-operative Co. for the fiscal year ended Setpember 30, 1930, at $49,514, dividends to creamery patrons of $104,745 and approximate balance due egg pool shippers of $15,000 are reported in the annual statement just issued and represent substantial decreases from corresponding figures for the previous year.

Earnings per share amounted to 18 cents as against 80 cents in 1929. As a result, the directors have not recommended a dividend for the past year although a dividend of 65 cents per share was declared for the previous year. Reduced earnings are attributed to conditions in the grain trade. A loss was sustained on grain options of $32,903.

Cash is Reduced

The balance sheet of the company, which is a co-operative marketing and merchandising organization formed by the United Farmers of Ontario, shows total assets of $1,289,316. Current assets amount to $786,865 as compared with $697,252 in the previous year. While cash has been reduced to $7,462 from $20,372, accounts receivable are up to $224,303 from $202,167 and inventories to $504,000 from $407,042. Sundry advances have been reduced to $38,975 from $59,436.

Current liabilities have increased to $728,926 from $596,983. While dividends due to cream patrons have been reduced from $134,303 to $67,204, the amount of bank loans has been increased from $283,600 to $411,900 and accounts payable from $102,346 to $149,524. Working capital as at September 30, 1930, was $57,937 as compared with $100,269 the year previous. In addition to current assets, sundry assets are carried at $53,926; assets held in trust, including Burgessville grain elevator and Bruce Mines plant and equipment, total $24,271 and net value of fixed assets is carried at $424,253.

Liabilities, in addition to current liabilities, include $121,659 in first mortgages and accrued interest and $26,571 of liabilities against assets held in trust. There are 70,059 no par value common shares outstanding which are carried at $361,697 and general reserve amounts to $10,000. Surplus of $40,464 is carried forward after provision for dividend declared in 1929 but not yet paid.

The annual meeting of the company will be held at 40 Elm St., Toronto, at 10.30 a.m. on December 9. Income and surplus account for the past three years is as follows:

PROFIT AND LOSS ACCOUNT
Years Ending Sept. 30

	1930	1929	1928
	$	$	$
Net earn. from trading	49,514	73,791	59,821
Less: Mtge. s.f. res.	......	5,860	4,988
Less: Loss on grain options	32,903	6,000	......
Prov. for inc. tax	3,600	5,721	4,626
	36,503	17,581	9,614
Surp. for period	13,011	56,210	50,207
Add: Prev. surp.	72,991	87,055	36,811
Excess tax prov.	......	......	37
	86,002	143,265	87,055
Less: Div. on prior years	......	70,274	......
Dividend	45,538	......	......
	40,464	72,991	87,055
Add: Spec. sur. re cold stor. sub.	......	......	25,980
Bal. carr. fwd.	40,464	72,991	113,035

Canada Biscuit Pushes Special Christmas Lines

Advance bookings for Christmas products are reported by Canada Biscuit Company to be good in most parts of Canada. The company, through its various subsidiaries, of which the principal one is McCormick Manufacturing Company of London, has introduced a number of new Christmas lines this year and is of course putting its standardized lines up in Christmas wrappings.

Emphasis is being laid upon Christmas pudding, light fruit cake and rich fruit cake in seasonable wrappings, Highland shortbread, and the Royal assortment which is one pound of the company's assorted fancy biscuits in a special cellophane enclosed package. Christmas candies complete the line.

Build Plant in Winnipeg

Christie, Brown & Co. Ltd., has secured an entire block of property at the west end of Winnipeg, on Notre Dame Avenue, as the site for a large factory. The building is to be 462 feet long and 125 feet wide and will cost about $750,000. Nearly all the material going into the structure is being purchased locally, though the machinery is coming from England.

Railway Mileage Increases

The mileage of steam railways operated in Canada is 42,381. During 1929 there was a net increase in the miles of railways operated of 386 and in total track mileage of 411 miles.

Internat. Proprietaries Banner Year in 1930

International Proprietaries has increased sales, earnings and dividends in 1930. The declaration this week of a special participation dividend of 15 cents a share, payable December 15, on the class A stock, in addition to the regular quarterly dividend of 65 cents a share brings this year's disbursements on this stock to $2.85 a share as compared with $2.70 a share last year. The regular annual dividend is $2.60, but class A stock participates with class B stock in further earnings until a maximum of $3.40 a share is paid on class A stock. There have been two such special participation dividends this year, 10 cents a share in June last, and 15 cents a share now. The maximum for these special participating dividends in any one year is 80 cents.

The earnings record of International Proprietaries has been consistently upward since its incorporation two years ago, continuing the excellent record made by J. C. Eno for a period of 60 years, net results for 1929 at $1,270,482 comparing with $1,118,642 for 1928. Earnings this year are showing consistent betterment, according to President Harold F. Ritchie, who recently stated that "the total business of the allied companies for the eight months ending Aug. 31, 1930, shows a substantial increase over the same period of last year and despite the world-wide industrial depression, we are in the enviable position of being able to say that the earnings of International Proprietaries and its constituent companies for 1930 will show a healthy increase over the results for 1929."

The consolidated balance sheet, as at the close of the last fiscal year, disclosed the sound liquid position of the company. Current assets amounted to $2,346,603, of which $1,323,610 consisted of cash and Government, municipal and railway bonds, as against current liabilities of $486,875, a ratio of nearly 5 to 1.

Many Firms Break Law In Their Annual Reports

Legislation Demands Certain Information Be Given But Often it is Not Given

By "GOOSE-QUILL"

Occasionally, one hears complaints of companies, registered under the Dominion Companies Act, which submit balance-sheets at the annual meetings of their shareholders that do not comply with Sec. 136, Subsection 3, of that act. This states that

> "Every balance-sheet shall be drawn up so as to distinguish severally at least the following classes of assets and liabilities; namely:
>
> (a) "Cash;
>
> (b) "Debts owing to the company from its customers;
>
> (c) "Debts owing to the company from its directors, officers, and shareholders respectively;
>
> (d) "Stock-in-trade;
>
> (e) "Expenditures made on account of future business;
>
> (f) "Lands, buildings, and plant;
>
> (g) "Goodwill, franchises, patents and copyrights, trademarks, bases, contracts, and licenses."

and so on. This sub-section requires such a sub-division of the company's assets and liabilities as would cause a balance-sheet to give the maximum of information regarding the company's financial standing, with the minimum of detail.

Must Not Be Lumped

It is important to note that fixed tangible assets, such as lands and plant, must not be lumped with goodwill. Again, the amounts paid up on common and preference shares, respectively, must be shown distinctly: obviously, if the common share capital is lumped in with surplus this is not done.

Generally, these wise provisions are to prevent a slurring over of information, which a company's balance sheet should contain. There are similar provisions in more than one provincial Companies Act, intended to protect the shareholders and others.

No Adequate Check

If a company breaks the law as it stands now, by drawing up its annual balance-sheet so that it does not comply with these provisions, who should take action? Apparently, the shareholders. Now, shareholders, as a class, will "stand for" a good deal before they will make any move, and so long as they are receiving dividends they usually presume that all is well. Those really running the company, with their knowledge of human nature and shareholders, are allowed to do as they like, provided they avoid too much attention. There are balance-sheets published in Canada which contain such items as "other debit balances" or "other credit balances," and these items are invariably lumped in with others. Now the first of these may include good assets or losses not yet written off, while the second may include profits left in the business or further liabilities.

Such vague statements should not be. Incidentally, it is difficult to understand how auditors can certify as being "properly drawn up so as to exhibit a true and correct view of the state of the company's affairs," balance-sheets which contain such items, and which do not comply with what the law lays down as necessary.

What is the remedy? It is suggested that every company should be required to file at Ottawa, or its provincial capital, a certified copy of its annual balance-sheet, auditor's report, and other matter required by its act to be laid before its annual meeting. Further, it is suggested that it should be the duty of an officer at Ottawa, or elsewhere, to examine these statements, and if they do not comply with legal requirements, for the company and directors to be liable to penalties and fines, as is provided for in the case of the annual returns which must now be made. Lastly, if the balance-sheet or statements are not in accordance with legal requirements, they should be amended, and submitted at a general meeting of the company specially called for the purpose.

If we can build up this Dominion's finances on a sound basis we will go far and be consistently prosperous, but we will never do it on bad accounting.

Detroit Tunnel Does Very Well In First Week

Detroit & Canada Tunnel Co. has started well. In view of the fact that facilities for passing between Detroit and Windsor have been trebled within a year, some anxiety has been felt by security holders lest the falling off shown by Detroit International Bridge from expected traffic should also be the experience of the Detroit-Windsor tunnel. So far, however, traffic has been up to estimates. In the first week, ending November 11, Judson Bradway, president, reported that cash income had been $31,373, or 2 per cent more than had been expected.

Three years ago engineers of the Detroit & Canada Tunnel Co. estimated an average traffic which proves to be 26 per cent under that experienced in the first week. Engineers estimated that 2,066,000 vehicles would use the tunnel in the first twelve months and that there would be an income from transportation of $2,203,000. November traffic, giving effect to seasonal variation, was expected to total 123,960 cars and the income to be $132,180. So far November traffic has been at the rate of 157,302 cars with an income of $134,457. Actual number of cars in first week was 36,704 cars, not including company operated buses.

"This bus service," says Mr. Bradway, "was inaugurated at the opening of the tunnel and it has already developed heavy patronage which is increasing daily."

Though it takes more than one swallow to make a summer, this report is very encouraging. On Sunday, November 9, it is reported that vehicular traffic frequently reached an estimated capacity rate of 1,000 cars an hour each way. Traffic sometimes ran as high as 30 cars a minute, counting both ways. This seems to bear out the contention of the company that the shortness and directness of the route between the business sections of the two cities would give it plenty of patronage in spite of the competing routes by the bridge above the river and by ferries on the river.

Will Open Victoria Office

Logan & Bryan, New York stock brokerage house, will further extend its Canadian branches with the opening of an office in Victoria, B.C., at an early date. At present the firm has offices in Quebec, Montreal, Toronto, Winnipeg and Vancouver, in addition to a number of offices in larger cities of the United States.

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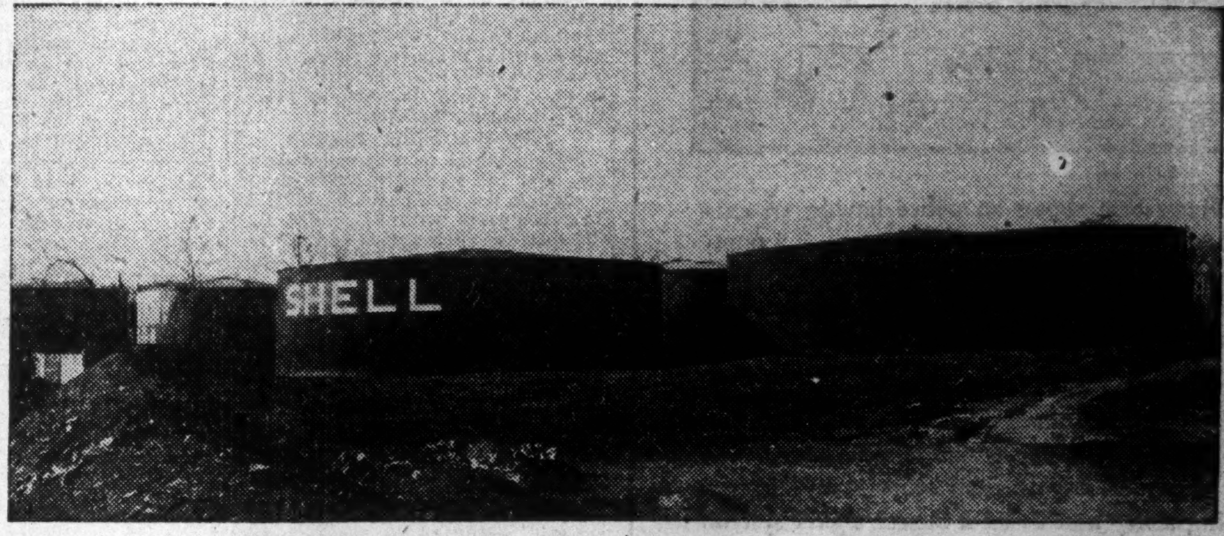

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Utilities and Transportation

MONTREAL TRAM SUBWAY SCHEME ON LARGE SCALE

Present Plans Would Call for an Outlay of $65,000,000

From Our Own Correspondent

MONTREAL. — Montreal Tramways Co. has tendered a proposal to the city of Montreal for immediate construction of eight miles of subways at an estimated cost of $65,000,000, to be completed by 1936.

The proposal entails certain minor modifications of the present contract between the company and the city of Montreal to permit it to build and operate subways and, at the same time, protect the present investment of the company so that its financial position would not be adversely affected.

Propose Bond Guarantee

It is further proposed that bonds issued should be guaranteed as to principal and interest by the city. A universal fare with universal transfer of seven tickets for 50 cents within the uniform territory is suggested.

Montreal Tramways is prepared to go ahead with this scheme given the approval of the city and the authorization of the Quebec Legislature.

Traffic Problem Solution

R. N. Watt, assistant to the president of Montreal Tramways Co., in outlining plans marshalled many facts to support the proposal. It was pointed out that the company now moves about 1,000,000 people a day and that if Montreal continues to grow, traffic will be so congested that it will detrimentally affect every business and therefore all property values.

There were two solutions for this traffic problem put forward. One was to provide additional streets or to widen existing streets and the other was to place a portion of the traffic underground. In the case of Montreal, the estimated cost of eight miles of subway was $65,000,000.

Defray Cost by Bonds

To defray cost of expenditure, bonds would have to be issued and to sell them, Mr. Watt pointed out, they would have to be guaranteed both as to principal and to interest by the city of Montreal.

He went on to say that if the subways were constructed, the company would have to obtain additional revenue to pay the interest and sinking fund on the $65,000,000 invested.

But the revenues of the company have been definitely allocated by statute; therefore it cannot raise funds for additional expenditure, such as subways, without the guarantee of the city.

Might Distribute Costs

If $65,000,000 were spent, necessitating an additional annual revenue of $3,500,00 it is stated that the best way to obtain this amount, according to authority, would be to distribute cost in three ways:

One, a share paid by the users of the service; two, a share from the general revenues of the city; three, a share by the property owners adjacent to the subways.

Mr. Watt stressed the point that if subways came into existence, it would be necessary to have all facilities under one management, whether subways, tramways or buses; also it would be necessary to have one standard fare, so that a passenger would be entitled to use subway, street car or bus, or a combination of these three by the payment of one fare which would entitle him to a transfer.

Today, Montreal fares were shown to be considerably lower than in other cities on the continent. An increase in fares would be justified, he claimed, since if the fares were raised one cent it would mean an additional revenue of slightly over $2,500,000.

Increase Fare Tariff

If instead of selling four tickets for 25 cents, seven tickets were sold for 50 cents, the annual receipts of the company would be increased by about $2,000,000 immediately.

On the other hand, estimates show that the average time saved by subways would be eight minutes per trip or a little over one hour and a half a week for a cost of twelve cents, using the service twice a day.

With the increased price in tickets, users of the service would pay approximately 60 per cent of cost, leaving a balance of 40 per cent to be paid by adjacent property owners and general revenues of the city.

Clear Right of Way For Power Lines

From Our Own Correspondent

MONTREAL. — Work has been started on clearing the way for the transmission lines to connect Fredericton with the new power station of the Provincial Hydro Commission, which is being built in Queens county, N.B. The erection of the line involves an expenditure of about $225,000.

The plant now under construction, will be a steam unit utilizing for fuel the coal from the adjoining Minto coal fields. Completion is expected late in 1931; cost of the plant is estimated at $500,000.

Public Utility Earnings

Cape Breton Electric

September:	1930 $	1929 $	Decrease $
Gross earn.	42,084	54,000	11,915
Operation	29,371	33,747	4,376
Maintenance	6,073	8,550	2,477
Taxes	1,841	2,331	489
Net oper. rev. ..	4,798	9,371	4,572
12 mos. end. Sept. 30:			
Gross earn.	647,556	682,835	35,279
Operation	390,819	397,334	6,515
Maintenance	87,147	90,452	3,304
Taxes	29,198	33,215	4,016
Net oper. rev. ...	140,391	161,834	21,443
Int. charges	68,314	69,069	754
Balance	72,076	92,764	20,688

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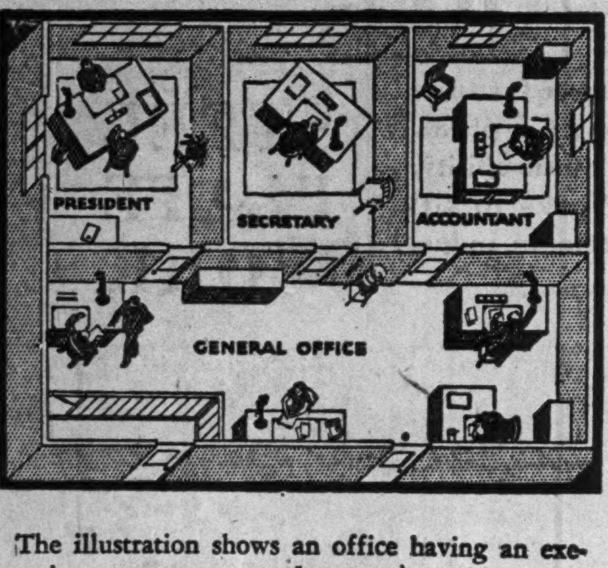

The illustration shows an office having an executive, an accountant and a secretary, with a number of clerks in the outer office. There is a considerable volume of telephone business requiring two lines to central.

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NEW ENG. POWER CURRENT INCOME HOLDING UP WELL

Position Maintained Despite Business Recession in Territory

MONTREAL.—Gross and net earnings of New England Power Association, controlled by International Hydro-Electric System and in turn by International Power and Paper, are likely to be about the same in 1930 as was the case in the preceding year, judging by an interim statement covering operations for the twelve months ended September 30, 1930.

In that period New England Power reported a gross income from all sources of $41,292,051. After deducting operating charges, minority interests, etc., there remained a net income of $20,065,422. Further deductions for interest on bonds, subsidiary preferred stock dividends, etc., brought down the figure to $12,181,028, as being available for depreciation, dividends, etc.

Net Income Higher

During the calendar year 1929, the association reported gross earnings of $40,644,452 and a net income of $18,914,017. During 1929 gross income included profit on sale of electrical appliances amounting to $459,830. The corresponding figure included in the fiscal year 1930 returns was $508,580.

Several interesting changes are noted in the extent of operations at the end of September, as compared with those shown in the 1929 report. At the end of last year the company reported electrical energy generated totalling 1,402,446,000 kw.h. For the twelve months ended September, 1930, power generated totalled 1,341,363 kw.h. At the same time power purchased dropped from 349,074,000 kw.h. to 327,832,000 kw.h. Total kilowatt hour production in 1929 was 1,751,520, as against 1,669,195,000 for the twelve months ended September, 1930.

Gain in Customers

There has been a steady increase in the number of electric and gas customers. At the end of last year, the books showed 333,916 electric customers, while at the end of September last the number had grown to 341,180. During the same period the number of gas customers advanced from 41,973 to 42,421.

Though the amount of power generated has declined this year, gas production shows an increase. For the twelve months ended December, 1929, output of this commodity totalled 1,112,485 m.c.f., while for a similar period ended September last amounted to 1,128,475 m.c.f.

Add to Plant

At present the company is generating electric energy in 12 hydro and 9 steam plants. Recently a new development was brought into production at Fifteen Mile Falls on the Connecticut River, Vt., making available an additional 140,000 kw. Over 110,000 kw. additional power is available for further development, which, when completed, will make an ultimate capacity at Fifteen Mile Falls of over 250,000 kw. and the total generating capacity of New England Power Assoc. system plants in excess of 770,000 kw.

SOUTHERN CANADA FINANCIAL REPORT READY NEXT WEEK

Statement Will Show Good Surplus Over Dividend Needs

From Our Own Correspondent

MONTREAL. — Annual report of the Southern Canada Power Co., for the twelve months ended September 30 last, will be made public at the beginning of the next week.

Report for the fiscal year 1929 showed that the company had earned $1,707,510. After the deduction of various charges and the inclusion of miscellaneous income of $388,402, there remained a net profit of $791,792, which was equivalent to $1.23 on the 400,000 shares of no par value common stock outstanding.

Judging by the monthly interim statements issued by the company, Southern Canada Power's 1930 report will show the common dividend of $1 a share earned, together with a good surplus to carry forward to profit and loss account balance.

Interim Reports Good

During the 11 months ended August last, the company reported an operating net income of $1,309,272. This compares with $1,244,346 for the corresponding period of the preceding year—a gain of slightly over 5 per cent.

During the full fiscal year 1930 output of electric energy totalled 170,685,947 kw.h., as compared with 154,528,950 in the preceding year.

It is expected that the report will show a number of changes indicative of further growth. During the year the Burroughs Falls plant was brought into operation, increasing generating capacity of all plants from 63,000 to 65,000 h.p. New electrical appliance stores have been opened, resulting in larger sales. Distribution and transmission system has been extended and the number of customers increased.

Issue More Stock

The balance sheet will show additional capital outstanding. In October, 1929, $1,405,200 of 6 per cent cumulative preferred stock was sold to customers. A further issue of $744,090 was made last month, but this additional allotment will not be shown until the 1931 report is issued. There has been no change in the funded debt or in the number of common shares outstanding.

Canadian Hydro-Electric Establish Peak Load Mark

From Our Own Correspondent

MONTREAL.—Recent peak load of 593,341 h.p. of Canadian Hydro-Electric Corp., establishes a new high record for the corporation. Further it is 9 per cent over the previous high record made in April. This figure includes the Gatineau, Ottawa, Eastern, Kippawa, and Grand Falls systems of subsidiaries of the corporation.

Output thus far this year has averaged 22 per cent over the corresponding period of last year. The corporation's output this year to date already equals its output in the full year of 1929.

NEW RUSKIN UNIT OF B. C. ELECTRIC STARTS OPERATION

Company's Earnings Show Further Improvement in October

From Our Own Correspondent

VANCOUVER.—The new Ruskin plant of the British Columbia Power Corp. was formally dedicated by Lieut.-Governor Randolph Bruce recently, and the 47,000-h.p. generator, the largest of its kind in Canada, was set in motion.

The Ruskin plant has been under construction for nearly two years. It is believed to have been one of the fastest hydro-electric jobs on record, the first contract having been let early in 1929. The dam across the Stave River was completed in seven months from the first pouring of concrete. The transmission line involved the acquisition of 22 separate pieces of land, in every case the negotiations being completed without arbitration.

Largest in Canada

One of the features of the Ruskin development is that nearly all the materials used were produced or manufactured in Canada. The generator is the largest in physical dimensions in Canada, the stator being 33 feet in diameter while the rotor, weighing 260 tons, was too large to be shipped but had to be assembled on the site.

Several details of construction have not yet been finished. Finishing touches still have to be applied to the dam and power house.

Initial development of 47,000 h.p. is only one-quarter of the ultimate capacity of the Ruskin plant. The building has provision for two units and eventually the building will be extended to almost twice its present length. The Ruskin plant will provide about 30 per cent of the peak load capacity of the British Columbia Power Corp. mainland system. It will be run in conjunction with the Stave River plant.

With addition of the Ruskin plant, a total of 202,000 h.p. is now available in Vancouver and the lower mainland, while the Vancouver steam plant is capable of producing 23,500 h.p. The Ruskin development was commenced in 1926, and it has involved an expenditure of about $7,500,000.

Other Projects in Hand

British Columbia Electric Railway Co. has two other hydro-electric developments under construction. These comprise a project at Bridge River where 54,000 h.p. will be developed and construction of a 16,000 h.p. plant on the Jordan river, Vancouver Island. These sites are capable of being developed to 300,000 h.p. and 39,600 h.p., respectively.

At Bridge River, work is proceeding on the lining of a 2½ mile tunnel which will bring the water to the power plant. Good progress is being made and it is expected that the tunnel will be completed early in the spring of 1931.

Net earnings of British Columbia Electric Railway, for October, reported at $466,772, constitute the largest net return of any one month since the parent company British Columbia Power Corp. was formed in 1928. Gross earnings have shown a normal seasonal increase and the result is chiefly due to lower operating expenses resulting from discontinuance of steam standby plants and power purchases from sources outside the company.

Power Supply Secure

With the first unit of the Ruskin development delivering an additional 47,000 h.p. the company is in a secure position as regards power supply and with the peak months of the year just ahead it is anticipated that net earnings will show even further increases. The figures from September, 1930 show well in comparison with the previous year when steam standby plants were largely used due to drought which reduced the amount of power which could be obtained from the company's hydro-electric plants. Operation of these steam plants entailed a considerable expense.

Later hydro-electric power was purchased from sources outside the company and power from these sources was used until the past summer. The company can produce its own power more cheaply than it can buy and September and October returns have given effect to these savings.

October Shows Gain

The gross revenue of British Columbia Electric Railway Co. for each of the first four months of the current fiscal year as compared with the corresponding months of 1929 and 1928 is shown below. Seasonal increases, it will be noted, become effective about October of each year although the gain this September was in excess of that in previous years. Sources close to the company consider that a normal upward trend of earnings will be shown during the remainder of the current fiscal year.

Gross earnings of the company which includes the results of sale of power as well as operation of transportation facilities in British Columbia are as follows:

	1930 $	1929 $	1928 $
July	1,196,239	1,156,720	1,061,498
August	1,194,390	1,169,758	1,121,778
September ..	1,206,579	1,168,278	1,101,488
October	1,248,830	1,230,278	1,145,394
Total	4,846,038	4,725,029	4,430,158

The reduced operation expenses of the past two months is clearly shown in this comparison of operating expenses for each of the first four months of the current fiscal year and those of 1929 and 1928. October decrease is very apparent while, as shown, above, the gross earnings have increased.

	1930 $	1929 $	1928 $
July	791,431	786,085	738,272
August	795,822	788,938	768,550
September ..	769,419	784,097	746,296
October	782,058	845,983	777,331
Total	3,138,730	3.205.103	3,030,449

The consolidated net earnings of the company show the full effect of decreased operating expense during October, 1930. The figures are after depreciation but before interest on funded debt and preferred dividends. The net earnings of the company and its subsidiaries for the first four months of the fiscal year are as follows:

	1930 $	1929 $	1928 $
July	404,808	370,635	323,226
August	398,568	379,815	353,228
September ..	437,160	385,181	355,187
October	466,772	384,295	363,063
Total	1,707,308	1,519,926	1,399,704

LIMITED TRADING BOOSTS SECURITIES ATLANTIC SUGAR

Preferred Gains 17 Points While Common Jumps to 12

From Our Own Correspondent

MONTREAL.—Shares of Atlantic Sugar Refineries, Ltd., in common with other sugar stocks, have shown improvement, though the gains made by the Canadian shares on the Montreal Stock Exchange were noteworthy.

Within the past week the common has from a low of around 5 to current levels of about 12, while the preferred sold up to 57 a gain of 17 points. Both stocks are closely held and transactions were limited.

Activity in sugar stocks centred generally round the departure of a Cuban delegation for Amsterdam where conferences will be held regarding a reorganization of the world sugar industry. The raw sugar market has been slightly stronger, and Atlantic Sugar is reported to have been fortunate in recent dealings in this market.

Possibilities of Preferred

The gain in the preferred again brings to light the possibilities which may lie ahead of this issue. There are conservative restrictions surrounding the payment of a dividend on the shares, chief of which is that no disbursement can be made on the preferred so long as funded debt exceeds $3,000,000.

At the end of 1929 total funded debt amounted to $4,016,246; reduction of this amount to the $3,000,000 mark is not entirely remote. At the end of the current year sinking fund operations will reduce the funded debt to $3,821, 246. Though sinking fund will continue to reduce this amount with increasing rapidity, a factor which enters into the immediate situation is the figure at which Atlantic Sugar carries its investments.

Purchase Own Bonds

The company's investments were carried at $714,590 at the end of last year and include first mortgage and general mortgage bonds. To what extent the company's own bonds are included is not known, but it is generally understood that they comprise a substantial amount of the total figure.

In this light it will be seen that Atlantic Sugar, if it so desired, might possibly be able to reduce its funded debt to $3,000,000, especially since further purchases of its bonds during the current year are likely to have been undertaken. The preferred, which is outstanding to the extent of $1,111,100 is 70 per cent in arrears.

Set Aside Equal Amount

There is another factor, however, which enters into disbursements on the preferred. If any distribution is made, the trust deed of the general mortgage bonds includes a provision that an equal amount shall be set aside toward the redemption of these bonds.

Some of the strength in the market for the shares of Atlantic Sugar may be due to anticipation of some capital reorganization whereby the present funded debt would be redeemed in its entirety. In this event the present restrictions on the preferred and common stocks might be removed.

Such a possibility must be regarded as somewhat remote, since the present earning power of the Atlantic Sugar is limited by the adverse situation in the world sugar market.

Federal Department Issues New Water Resources Paper

From Our Own Correspondent

MONTREAL. — Volume 61 of the Water Resources papers, which deals with the surface water supply of Canada, has been issued by the Dominion Water Power and Hydrometric Bureau of the Department of the Interior. This number contains the results of investigations made by the survey during the climatic year October 1, 1927 to September 30, 1928, in British Columbia.

The report contains a short explanation of the purpose and scope of the work and 220 pages of stream flow and meteorological data, with an indexed map showing drainage areas and location of the gauging station.

Copies may be obtained free of charge on application to the director of the Dominion Water Power and Hydrometric Bureau at Ottawa.

Electrical Appliances Sales of New Eng. Power Higher

From Our Own Correspondent

MONTREAL. — Domestic electrical appliance sales by subsidiaries of New England Power Association, a division of International Paper and Power Co.. were 14 per cent greater in October last than in the same month a year ago

Appliances sold in October this yea will add an estimated load of 857,00 kw.h. to the system, or 15 per cen more than the load added by merchandise sales in the same month last yea

In the first ten months of this yer electric appliance sales were 26 per cer over the corresponding period of la year, and the estimated load added b them was 7,884,000 kw.h., an increas of 36 per cent over that added by th appliances sold during the correspond ing period of last year.

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News of Investment Markets

LITTLE ACTION IS APPARENT IN BOND MART

Institutional Demand Continues Slight; Trend is Down

Little or no activity is apparent in the Canadian bond market and what trend there is seems to be downward. While bond dealers look for a continuation in 1931 of the up-trend that has taken place during the current year, the immediate future both in Canada and the United States is uncertain and commitments are being reduced to a minimum.

Institutional investors have practically ceased to buy bonds and any sales which are made leave but slight margin of profit to the bond dealers; many of whom are now carrying bonds purchased a month or more ago at a loss. This situation is general both in the United States and Canada. Some private investors are taking advantage of present prices but the volume absorbed is negligible.

Issues Still Available

While some investment houses may have reduced their inventories of bonds below normal, there is still a good volume of recent government and municipal financing on the shelves of most houses. A large number of recent debenture issues of this class remain unsold including a good portion of the $100,000,000 Dominion of Canada 4's of 1960. New York dealers are carrying from $150,000,000 to $200,000,000 of unsold bonds, according to recent estimates, and this naturally has a depressing effect on the market.

Canadian municipalities which withheld new financing in September with a view to getting better prices during October and November have had to postpone such offerings and the volume of new municipal financing has fallen to a very low point during November. Those cities which have called for tenders, have received bids decidedly lower than those that prevailed a few months ago and in a number of cases all tenders have been rejected. Halifax is the latest case of this kind, while Alberta rejected bids on an issue late in October and financed by means of six months notes.

High Grades Ease Off

While retail prices of bonds have eased off, the trend is chiefly noticeable in traders' prices and in listed securities which are actively traded. The highest grade bonds have not lost a great deal of ground although the issues of the western provinces have weakened due to the grain situation. Since the end of September, Ontario 4½'s of 1944 have lost only three-quarters of a point and the 5's of 1960 are eased off 1¾ points as have the British Columbia 5's of 1954. Alberta, Saskatchewan and Manitoba issues have lost around 2¾ points. Dominion issues have remained fairly firm in spite of the fact that the recent Dominion loan is not all absorbed.

There is little or no demand for Canadian bonds in New York at the present time and in fact the chief buying in New York is only in the highest grade United States government securities which have been selling at the high point of the year in contrast to other issues.

Conditions Are Sound

Economic conditions remain favorable to a good bond market with a large supply of money at low rates which have been very stable for the past two months or more. Commodity prices have continued to decline and the purchasing power of the bondholder's dollar has thereby increased. Conditions which prevailed in September, when bond prices attained the high point of the year, have not altered materially although earnings statements which have appeared since that time have not been good on the whole and the grain situation has had a distinct effect in Canada. The unsettled conditions abroad have further accentuated the desirability of Canadian bonds.

In some quarters it is held, that, once the banks and insurance companies start buying bonds, the present situation will be cleared up in short order and the bull market in bonds will be resumed. That this will happen before the end of the current year is not considered likely, but it is believed that the movement may start in the first months of the coming year. Numerous prominent economists have stated their belief that bond prices will go up during the greater part of 1931 and that there is ample time for investors, who have purchased bonds with capital appreciation in view, to sell out. The reaction that is being experienced is not regarded as more than a temporary phase of a primary upward swing. It is admitted however that few bond dealers expected a relapse of such long duration, and, for the present, at least, investment bankers, who made large commitments with the anticipation that the strong bond market of September would continue during the latter months of the year, are carrying inventories which would show a decided loss if sold at present prices.

Bond Redemptions

	Rate	Due	Redeem.	Price
Bond Issues—				
Laurentide Power	5%	1946	Jan. 1	105
Do.	5½%	1946	Jan. 1	101
Pk. Lawn Ceme.	7%	25-yr. ser.	Dec. 1	102
Stock Issues—				
Conduits Pref.	7%		Jan. 1	110
Foreign Issues—				
Danish Cons. Mun. Loan	8%	1946	Feb. 1	107½
French Nat'l Mail Steamship Lines	7%	1949	Dec. 1	103
Peruvian Nat. Loan	*6%	1960	Dec. 1	100
Italy	*7%	1951	Dec. 1	100
Beigian External	*7%	1955	Dec. 1	107½
French Rep. (ext.)	7%	1940	Dec. 1	105
Austrian Govt.	*7%	1943	Dec. 1	100

*In part.

Ford of Canada Sales Show Large 1930 Drop

Ford of Canada produced 66,612 units in the first ten months of 1930, or 18.27 per cent less than for the same period in 1929. Retail sales at 65,313 units were the governing factor in reducing production and compare with 78,433 units in the first ten months of 1929.

The company earned $3.16 a share on the common stock last year, and if net earnings bore the same relation to sales in 1930 as in 1929, common earnings would be down to $2.50 a share this week. Current estimates are for more than this, the claim being made that lower unit costs of production have been secured. The sales prices to the public have also been made very low, however, and the actual earnings shown will depend to a great extent on the extent of write-offs which the company feels it necessary to make.

In any case the showing is an exceedingly good one when the 1930 history of the industry is taken into consideration.

ASK DOMINION PROBE OF 'PEG BAKERIES

Inter City Bakeries and Canada Bread Are Named

Dominion authorities have been asked to investigate the activities of a number of Winnipeg bakeries under the Combines Investigation Act. The action, taken by several Winnipeg citizens, follows a recent cut of one cent in the price of bread which, it is alleged, caused an independent bakery to be forced out of business.

The petition names Inter City Western Bakeries, Ltd. and a wholly-owned subsidiary, Spiers-Parnell Baking Co., and Canada Bread Co. together with the respective managers, as being privy to the alleged combine.

The companies named are the largest bakeries in Winnipeg and are controlled in each case by leading milling companies. Inter City Western Bakeries Ltd. is controlled by Lake of the Woods Milling Co., while Canada Bread Co. is controlled by Maple Leaf Milling Co.

Three Rivers Hospital Sell Bonds to Group

From Our Own Correspondent

MONTREAL. — Banque Canadienne Nationale, and Lajoie, Robitaille & Co., were the successful bidders for an issue of $150,000 first mortgage 5½ per cent bonds of the Corporation of Cooke Hospital of the City of Three Rivers, due May 1, 1950.

This issue is a first mortgage on all properties owned and to be acquired by the Cooke Hospital, which has just been completed in Three Rivers at a cost of over $500,000, equipment and furnishings included.

These bonds are being offered for subscription at par and accrued interest.

Bond Tenders

November 28, Stratford, Ont.—$66,000, 5 per cent 20-installment debentures, dated December 1, 1930. Thomas Ballantyne, treasurer.

8 p.m., November 28, Syndics of the Parish of St. Germaine Outremont—$332,000, 5 per cent debentures of which $150,000 is due in 1961 and $182,000 is in installments. Issue callable in whole or in part at 101.

2 p.m., December 4, County of Norfolk, Ont.—$40,000, 5 per cent, 15-installment debentures, payable at office of county treasurer, Simcoe, and issued for road construction. Jonathan Porter, clerk and treasurer.

7 p.m., Dec. 1, School Mun. of St. Camille de Cookshire—$11,000, 5½ per cent, dated Dec. 1, 1930, payable at Bank of Montreal, Cookshire. Noel Roy, sec.-treas.

5 p.m., December 3, Sherbrooke, P.Q.—$120,000, 4½ per cent or 5 per cent serial debentures, dated November 1, 1930, maturing November 1, 1931 to 1960. Payable at the Bank of Montreal in Sherbrooke, Montreal or Quebec. Ant. Deslauriers, city clerk, Sherbrooke, P.Q.

Noon, Dec. 10, Kenora General Hospital—$30,000, 6 per cent, 15-year debentures, guaranteed by the town of Kenora, for addition to hospital. Dated Feb. 1, 1930, Feb. 1, 1931-1945. Payable at Toronto and Kenora. H. J. Bradford, sec.-treas. (See announcement on page 16).

4 p.m., Dec. 10, Dalhousie—$10,000, 5 per cent. 20-year electric light debentures (1929); $20,000, 5 per cent, 40-year sewer debentures (1929); $10,000, 5 per cent, 20-year general improvement debentures (1930). F. B. Swinnard, clerk and treas. (See announcement on page 16).

December 13, City of St. Hyacinthe, Que.—$170,250, 5 per cent, 30-year serial debentures for local improvements of which $29,000 matures November 1, 1952 to 1959; $20,500 matures August 1, 1949 to 1959; $1,250 matures November 1, 1947 to 1959; and $110,000 matures November 1, 1931 to 1960. Capital and semi-annual interest payable at Banque Canadienne Nationale at Montreal, Quebec or Saint Hyacinthe. G. Rene Richer, city clerk.

12 o'clock, Dec. 10, Village of Tweed — $100,000, as follows: $12,000, 5 per cent, 20-ins. sewage debs.; $13,000, 5 per cent 30-ins. water debs.; $75,000, 5 per cent, 30-ins. sewer and water mains. Garrett D. C. Morton, treas. (See announcement on page 16).

12 per cent, Dec. 1, Twp. of Thorold—$27,854, 5 per cent, 20-ins. debentures, dated Dec. 1, 1930. Interest payable June and Dec. 1, at the Imperial Bank, Fonthill. A. M. Clark, twp. treas., Fonthill.

Bond Sales

HALIFAX

The city of Halifax rejected all tenders which were called for November 25 on a total of $1,354,050 4½ per cent debentures of which different blocks matured in 4-year and 10-yearly installments and in 21 years and 30 years straight term. Bids were asked for the entire issue, or the respective parts payable in Canada and New York or Canada only. The high bid for the debentures was 93.28 or a 5 per cent cost basis. Bids were all on a payment in Canada and New York basis and are reported as follows:

1 Gairdner & Co., C. H. Burgess & Co., J. M. Robinson & Sons, Dyment, Anderson & Co.	93.28
2 Wood, Gundy & Co., Royal Bank and Eastern Securities Corp.	93.10
3 A. E. Ames & Co., Dominion Securities Corp., Bank of Nova Scotia	92.83
4 Bell, Gouinlock & Co., Fry, Mills, Spence & Co., and McLeod, Young, Weir & Co.	92.29

GRAND MERE, P.Q.

Lajoie Robitaille & Co. was awarded $25,000 5 per cent debentures of the city of Grand Mere, P.Q., due May 1, 1945, at 98.72; cost basis approximately 5.125 per cent. Bids on the issue were as follows:

1 Lajoie Robitaille & Co.	98.72
2 Banque Canadienne Nationale	98.63
3 Dominion Securities Corp.	98.38
4 L. G. Beaubien & Co.	98.27
5 La Corp. de Prets de Quebec	97.75
6 Wood, Gundy & Co.	97.62
7 Gairdner & Co.	97.62
8 C. H. Burgess & Co.	96.31

TWO YEAR NOTES NEW ENG. POWER PUT ON MARKET

American Group Handles $20,000,000 Issue for Association

From Our Own Correspondent

MONTREAL. — New England Power Association, a subsidiary of International Power and Paper, is carrying out additional financing through the offer of $20,000,000 of two-year 5 per cent gold notes through an American syndicate headed by Harris, Forbes & Co.

Proceeds of this additional issue will be used to reimburse the company on account of expenditures under its $28,000,000 programme, which is well on the way toward completion; redeem bank loans and for payment of obligations incurred in purchased subsidiary companies.

At present New England Power has the largest system in the New England States, operations being carried on in Massachusetts, New Hampshire, Vermont, Rhode Island and Connecticut. Over 20 power plants are operated. In addition the company purchases electrical energy to supply its market of 250 communities with a population in excess of 2,500,000.

Particulars of Issue

Further particulars of the present issue follow:

$20,000,000
New England Power Association
5% Gold Notes

Dated Dec. 1, 1930; due Dec. 1, 1932.

Business — Is a Massachusetts voluntary association operating utility properties in the New England States. Production of electricity in 12 months ended September last exceeded 1,669,000,000 kw.h.

Capital: New England Power Assoc.—	
Com. shares, n.p.v. 932,281 shs.	
Pref. shs., 6%, par $100	$65,808,200
Pref. shs., $2 div., n. p. cum.	20,000,000
5% gold notes (this issue)	25,000,000
5% gold debentures	25,000,000
5½% gold debentures	25,000,000
Subsidiary Companies:	
Bonds & pref. (held by public)	80,006,864
Com. stocks (held by public)	7,606,287

Consolidated Earnings — For 12 months ended Sept. 30 last, after deducting depreciation and other prior charges, were $16,481,379, or over 2.1 times interest and dividend charges.

Equity — Based on market quotations of Nov. 12, 1930, preferred and common shares of the Association had a value of $136,000,000.

Management—No change.

Offer—Harris, Forbes and Co., Chase Securities Corp., Bankers Co. of New York, Baker, Young and Co., The First National Old Colony Assoc., Lee, Higginson and Co., Otis and Co., and Bodell and Co., at 99½ and interest, yielding over 5¼ per cent.

ALL-CANADIAN TRUST IS FORMED IN WEST

Invests Only in Common Shares of Leading Companies

All-Canadian Investment Corp. of Vancouver, subsidiary of Yorkshire & Pacific Securities, Ltd., is offering All-Canadian Common Stock Trust Shares, series A. This is a new limited management trust in which investments are limited to the common stocks of 24 leading Canadian companies. The trust has been established and is administered by All-Canadian Investment Corp. with Royal Trust Co. as the trustee and registrar.

Each series A trust share represents 1-1,000 of a unit. The trust shares are fully paid and non-assessable and each shareholder receives his share of the dividends paid on the stocks comprising the units at six months' intervals as well as proceeds from sale of rights, cash bonuses and interest.

List Is Fixed

No change is permitted in the portfolio of deposited stocks except in case of reorganization or liquidation of any of the underlying companies or unless the administrator deems it advisable to sell any of the stocks. In the latter case, proceeds must be invested in further shares of one of the other underlying companies. No stock may be re-included in the list or no new stock bought without a two-thirds vote of the trust shares assenting.

The trust terminates on November 1, 1940, but holders of 200 trust shares or multiples may convert into underlying shares or cash directly through the trustee without charge. Smaller shareholders may realize on such shares at a price based on market value of the securities at date of realization. The duration of the trust may be extended another five years on vote of shareholders.

A service fee of six per cent is charged by the administrator as remuneration for issue and deposits. This charge is added to cost, at the market, of deposited stocks. In addition the administrator is to receive a semi-annual payment out of income of ⅛ of 1 per cent of the capital.

Stocks Are Well Known

The common shares underlying each unit of 1,000 trust shares, series A are as follows:

5 shs. Bell Telephone Co. of Canada.
20 shs. Brazilian Traction, Light and Power Co. ¼
20 shs. British American Oil Co.
15 shs. British Columbia Power Corp.
15 shs. Canadian Pacific Railway Co.
5 shs. Consolidated Mining & Sm. Co. of Canada, Ltd.
10 shs. Dominion Bridge Co.
5 shs. Dominion Glass Co.
5 shs. Dominion Textile Co.
15 shs. Ford Motor Co. of Can.
5 shs. Goodyear Tire & Rubber Co. of Can.
30 shs. Gypsum, Lime & Alabastine Canada, Ltd.
20 shs. Imperial Oil Ltd.
40 shs. Imperial Tobacco Co. of Canada, Ltd.
20 shs. International Nickel Co.
10 shs. Montreal Light Heat & Power Co.
25 shs. Noranda Mines Ltd.
5 shs. Ogilvie Flour Mills Co.
5 shs. Ottawa Light, Heat & Power Co.
5 shs. Page-Hersey Tubes Ltd.
5 shs. Shawinigan Water & Power Co.
15 shs. Sherwin-Williams Co. of Canada, Ltd
5 shs. Steel Company of Canada Ltd.
10 shs. Winnipeg Electric Co.

Public Utility Earnings

Winnipeg Electric

October—	1930 $	1929 $
Gross earnings	512,801	523,050
Net revenue	157,623	176,533
Fixed chgs. & taxes after deduct. other inc.	99,418	91,726
Net from oper.	58,205	84,807

BRAZILIAN TRACTION

October	1930 $	1929 $	Increase $
Gross earn.	3,714,677	4,289,258	574,571
Oper. exp.	1,514,912	1,987,808	382,896
Net earn.	2,199,766	2,391,450	191,685
Aggre. gross from Jan. 1	39,781,024	41,221,054	1,440,030
Aggre. net from Jan. 1	23,368,228	23,461,019	92,791

WEEKLY RECORD OF FINANCING IN CANADA

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

Municipal	Date Sold	Sold To	Rate	Maturity	Amount	Price	Basis
Grand Mere, P.Q.	Nov. 19	Lajoie Robitaille & Co.	5%	1945	$25,000	98.72	5.125
St. Leonards, N.B., Sch. Dist. Nos.		Eastern Securities Corp.	5½%	....	40,000	....	....
Sydney, N.S.		Eastern Securities Corp.	5½%	20-yr.	75,000	103.70	5.20

OFFERINGS OF CORPORATIONS AND FOREIGN SECURITIES

Stock Issues	Date Issued	Offered by	Rate	Due	Amount	Offered	Year
All-Canadian Common Stock Trust Shares, Series A	Nov.	All-Canadian Investment Corp., Vancouver.	....	....	......	....	....

POOL ACTIVITY MOVES McCOLL STOCK UPWARD

Stimulus Given by Report of Sale to U. S. Producer

From Our Own Correspondent

MONTREAL. — In an otherwise dull market, stock of McColl-Frontenac Oil Co. has advanced several points to a level of 23. Considerable speculation has been aroused over this development, and, as far as can be learned, there is no justification for the move.

A short time ago rumors had been spread around that large American oil operators were looking over the property and the company would be sold out at a price well above the current market level. These reports have never received official backing.

The upward move of the stock is regarded as being the work of pool operators in the Montreal market. The same group has had an interest in the stock before, when an unsuccessful attempt was made to put it up over the 30 mark.

On several different occasions over the last year and a half, stories have been spread around to the effect that the McColl company would be sold to American interests. In the present instance, the names of Sinclair, Shell, Pure Oil, etc., are used freely.

While it is understood that the company has been approached, negotiations have not approached the point where a definite price was placed on the property. It is possible that arrangements might be entered into for the sale of the company to one of the large American producers, but, in the present instance, there is no apparent justification for the move of the stock on the basis of a reported sale.

Though no official statement has been made as to current earnings, experience of other operators in the Canadian field would indicate that McColl is not recording any marked degree of prosperity. With a larger number of stations in operation and increase of retail distributing channels, it is assumed that quantity sales are higher this year. On the other hand, the oil and gasoline market has been disturbed by importations and the bootlegging of gasoline, which in turn has affected the earning power of the Canadian operators.

Last year McColl earned $1.92 a share on its common stock. This was after taking care of all prior charges, including what is regarded as a relatively small write-off for depreciation. On the basis of earning power, the stock is valued at about 12 times.

Invest when you have money to invest—
A sound precept

It is not profitable to let money lie idle. The loss of even a few days' interest is important—and avoidable. Sound, readily marketable bonds offer an especially suitable means for the employment of corporate reserves or private funds, and, whatever the requirement—placement for a few months, for a year, or for several years—good bonds meeting that requirement and giving a dependable income return, are available and can be wisely chosen with the help of an experienced adviser. Officers of corporations and private investors are invited to use our facilities at any time.

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Wilmot L. Matthews
Edson L. Pease
W. N. Tilley, K.C.
The Hon. J. M. Wilson
Lt. Col. Herbert Molson, C.M.G., M.C.

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IMPERIAL BANK OF CANADA

56th ANNUAL STATEMENT

Year Ending October 31st, 1930

Profit and Loss Account

Dividends, 12% per annum	$ 840,000.00	Balance at credit of account Oct. 31st, 1929, brought forward	$718,964.00
Bonus, 1% per annum	70,000.00	Profits for the year ended 31st October, 1930, after deducting charges of management, auditors' fees and interest due depositors, and after making provision for bad and doubtful debts and for rebate on bills under discount	1,424,081.03
Dominion Government and other Taxes	150,000.00		
Donations and Subscriptions	42,500.00		
Written off Bank Premises	300,000.00		
Balance of Account carried forward	740,545.03		
	$2,143,045.03		$2,143,045.03

BALANCE SHEET

Liabilities

Notes of the Bank in circulation		$ 8,592,325.00
Deposits not bearing interest	$20,970,309.71	
Deposits bearing interest, including interest accrued to date of Statement	93,320,934.52	
		114,291,244.23
Balances due to other Banks in Canada	$ 3,990,196.64	
Due to Banks and Banking Correspondents in the United Kingdom	160,713.99	
Due to Banks elsewhere than in Canada and the United Kingdom	4,242,578.01	
Letters of Credit Outstanding	872,487.59	
		9,265,976.23
Total Liabilities to the Public		$132,149,545.46
Capital Stock paid in	$ 7,000,000.00	
Reserve Fund Account	8,000,000.00	
Dividend No. 161 (payable 1st November, 1930), for three months at the rate of 12% per annum	210,000.00	
Bonus of 1% payable 1st November, 1930	70,000.00	
Unclaimed Dividends	372.75	
Balance of Profit and Loss Account carried forward	740,545.03	
		16,020,917.78
		$148,170,463.24

Assets

Current Coin held by the Bank	$ 1,023,293.30	
Dominion Government Notes	10,616,326.00	
United States and other Foreign Currencies	125,161.29	
		$ 11,764,780.59
Deposit in the Central Gold Reserves		1,250,000.00
Deposit with the Minister for the purpose of the Circulation Fund		374,490.99
Notes of other Banks		507,865.00
Cheques on other Banks		8,621,744.74
Balances due by other Banks in Canada		616,386.71
Due from Banks and Banking Correspondents in the United Kingdom		608,714.41
Due from Banks and Banking Correspondents, elsewhere than in Canada and the United Kingdom		2,996,882.32
		$26,740,864.76
Dominion and Provincial Government Securities not exceeding market value	$15,908,512.36	
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	4,237,124.13	
Railway and other Bonds, Debentures and Stocks, not exceeding market value	2,103,616.15	
		22,249,252.64
Loans to Provincial Governments	$ 479,165.93	
Loans to Cities, Towns, Municipalities and School Districts	6,199,123.94	
Call and Short (not exceeding thirty days) Loans in Canada on Stocks, Debentures and Bonds, and other Securities of a sufficient marketable value to cover	11,851,443.98	
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Stocks, Debentures and Bonds and other Securities of a sufficient marketable value to cover	6,000,000.00	
		24,529,733.15
Other Current Loans and Discounts in Canada (less rebate of interest), after making full provision for all bad and doubtful debts		66,846,170.55
Non-Current Loans, estimated loss provided for		176,343.40
Real Estate other than Bank premises		111,548.67
Mortgages on Real Estate sold by the Bank		539,174.96
Bank Premises, at not more than cost, less amounts written off		5,989,641.19
Liabilities of Customers under Letters of Credit as per contra		872,487.59
Other Assets not included in the foregoing		115,346.33
		$148,170,463.24

FRANK A. ROLPH,
President.

A. E. PHIPPS,
General Manager.

AUDITORS' REPORT TO SHAREHOLDERS.

We report to the Shareholders of the Imperial Bank of Canada:

That we have examined the above Balance Sheet as at October 31st, 1930, and compared it with the books and vouchers at Head Office and with the certified returns from the Branches. We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank:

In our opinion the Balance Sheet discloses the true condition of the Bank, and is as shown by the Books of the Bank.

The above Balance Sheet does not include money which has been set aside by the Shareholders from time to time for the purpose of a Pension Fund.

A. B. SHEPHERD, C.A.,
of Peat, Marwick, Mitchell & Co.
D. McK. McCLELLAND, F.C.A.,
of Price, Waterhouse & Co.

Toronto, November 19th, 1930.

THE FINANCIAL POST

Member Audit Bureau of Circulations
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Vice-President—HORACE T. HUNTER
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TORONTO, NOVEMBER 27, 1930

TOO MUCH CREDIT

TYPICAL of the uninformed and therefore mischievous type of editorial comment on business subjects the Toronto Star hands out to its readers was the statement last week that if the banks could loan money on call at two per cent they could readily loan money to prop up the wheat of the West. This was, of course, designed to give the impression that the banks were not financing the Western farmer or the wheat pool.

Actually at the time the Star's comment appeared, the banks were in the position of having loaned the Western wheat pool all and probably more than their wheat was worth. On the other hand, any money they had on call was protected by securities valued at considerably more than the loans, securities that could be realized upon at very short notice.

The wheat pool fiasco again proves the point that what the Western farmer needs is not more credit but co-operation in enabling him to use to better advantage the credit he has. It would have been better if the banks had loaned less money to the pools. The bank loans merely enabled and encouraged them to carry wheat into a declining market instead of selling it earlier when higher prices prevailed. The revelation that the pool, which is theoretically opposed to speculation, took over futures transactions from millers without closing them out at once, in other words that they were speculating in the futures market and thus increasing their problem instead of reducing it, indicates that borrowing money has been too easy for the pools. It has been easier than it would have been for any other private organization. It has done the Western pool members no good to have governments meddle in their affairs and banks loan them money without adequate security.

Henry Ford in his recently published book (written from his plan by Samuel Crowther) has a number of sound ideas and a number that are typical Fordisms. Mr. Ford cannot be quoted as a final authority on matters economic even if he has accumulated more money than any other man in recent times and is today the world's chief example of business success. Yet we feel that in the following paragraph he has expressed neatly a bit of economic wisdom which is applicable to the wheat pools situation:

> "Money is only a tool in business. You might as well borrow one hundred thousand lathes as $100,000, if the trouble is inside your business. More lathes will not cure it; neither will more money. Only heavier doses of brains and thought and wise courage can cure. A business that misuses what it has will continue to misuse what it can get. Borrowing for expansion is one thing; borrowing to make up mismanagement and waste is quite another."

And, of course, the suggestion that credit can prop up wheat prices is as ridiculous as former claims by the pools—now no longer heard—that they could make the world pay their price for wheat or go without.

WASTES IN FINANCE

THE Twentieth Century Fund, which conducts economic investigations, lists eight dangers to the world's present economic developments—eight possible causes of depression. No. 5 is "wastes in corporation finance." Mergers and combinations are suspected of being unsoundly arranged and financed in many instances and of being potential sources of danger in the future.

Hardware and Metal goes further and, in condemning many of the mergers and reorganizations of recent years, declares:

> "Many business firms which have undergone such treatment in the last few years are learning today that that they have been sapped of their lifeblood and are facing a period of excessively keen competition in a very anaemic condition. Executives of such concerns are facing the almost impossible task of making a reasonably good showing on the tremendous overhead burdens being carried, as result of over-capitalization."

This is fair comment on some jobs of merging and refinancing but it would be unfortunate if readers of Hardware and Metal jumped to the conclusion that the co-operation of investment banking firms in corporation finance and management had generally had a bad effect. No sweeping condemnation of mergers and refinancing can properly be made; no general defence can be set up.

Mergers effected for sound business reasons are working out. Companies refinanced on conservative bases are meeting with success.

Mergers and recapitalizations carried out primarily for the purpose of making a profit for a group of bankers, for the purpose of unloading on the public a dying company, or for the purpose of robbing a company's treasury of the working capital that is its life blood, are not finding it possible to stem the tide of the current depression and many of them are doomed to failure.

Many mistakes have been made by investment bankers. Some of them undertook too much of the burden of management, not realizing that investment banking experience is not industrial experience. Some of them revised earnings figures to re-include "non-recurring charges" but without adding many new expenses that were bound to be incurred. Some of them were so anxious to get in on the easy money in corporation refinancing that they made inadequate investigations of the facts presented to them. They went out looking for favorable factors rather than looking for balanced facts.

For all of these mistakes investors, the business concerns involved and the investment bankers themselves will pay. For them business as a whole will also pay because one of the factors bearing on the general trend of business is waste and inefficiency.

INVESTING CHEAPLY

ONE of the largest Canadian financial institutions which is entering confidently into a large building enterprise, has discovered that it is going to be able to do its construction work now at about 35 cents per cubic foot less than it would have cost a couple of years ago.

Construction programmes entered into today serve to do more than solve unemployment problems. They enable growing companies to prepare for the future and to do so at bargain prices. Articles of consumption, such as wheat and copper, will not be lightly purchased in large quantities by people who have no early use for them, simply because they are selling at low levels. That is not good business. But long term investments that can be made at bargain levels will be made by those who have capital available and who anticipate a future need. This applies to the purchase of stocks; to the erection of new buildings, to the expansion of plant and equipment, and to the purchase of other business concerns which will make suitable subsidiaries.

THE GREAT EXPERIMENT

THE recent abortive decision, (or more properly indecision) of the Board of Railway Commissioners in the Maritime grain freight rates case recalls again the numerous efforts that have been made in Canada to bind the different geographical segments closely together when sheer economic laws, if they operated quite untrammelled, might not in our present state of development maintain them as one economic entity. Were there no artificial restrictions on trade and commerce on this continent there might be less flow of economic units between the provinces by the sea and central Canada or between the far West and central Canada. What has up to the present been a truism, that we are successfully building a nation with an economic grain running east and west when the natural grain is north and south, is so often repeated that we often fail to recognize that the condition is becoming less pronounced. Gradually we are attaining a place as the highway between Europe and the Orient and gradually the lodestone of advanced economic development in the United States is losing its comparative force. The economic grain of Canada is beginning to run more naturally east and west and is requiring less artificial control.

But up to now we have had to tie in British Columbia and the Maritimes by subsidized railways, by freight bonuses, by nationalized development of ports, by intensive appeals to the patriotism of shippers and buyers and by similar artificial means. Rightly or wrongly, we have adopted the viewpoint that every part of the country must be prosperous even if we have to essay mighty fiscal and politico-economic experiments to accomplish this objective. Where any part of the Dominion has been lacking in certain essential factors that would of themselves have given it immediate prosperity, we have attempted to give that area prosperity by an adjustment of government-created artificialities. The tariff is an artificial protective wall around Canadian producers. And when the tariff appears to help producers in central Canada more than it helps producers elsewhere we give the other parts something else—in the case of the Maritimes, freight rates that will encourage the shipment of their goods to central Canada.

It is a great experiment in nation-building and one that will some day engage the attention of historical economists whose final dictum on the methods and results cannot well be forecast.

Today the chief need is patience and understanding. Business depression arouses latent distrust. During the past few years we almost entirely eliminated sectional jealousies. Now they are beginning to come to life again. Ill-considered talk of secession is heard from the Maritimes and the West. Times like these demand constructive and generous statesmanship. There was never political foment in a prosperous country. There are never sectional differences in Canada except in temporary periods of depression.

GOODWILL

THOSE who know Premier Brownlee found it hard to credit the report that he was about to abandon the premiership of Alberta and accept an appointment either as liquidator or general manager of the Central Selling Agency of the Wheat Pools, although undoubtedly his services were sought. Mr. Brownlee has too keen a sense of responsibilities of public office to put himself in a position where he would seem to be evading answering to the Legislature of Alberta for his Government's course in connection with wheat pool guarantees, and the loss of money to the Government that is involved. Also, he is too much of an Albertan to desert the problems of that province at the present time.

Mr. Brownlee occupies a peculiar position in political life. He is nominally the head of a U. F. A. Government in Alberta, but is really the head of the Brownlee Government, and although it was the U. F. A. which first put him in office it has not much to do with his Government now. What that Government might become were he to leave it is difficult to guess. With the Hon. George Hoadley, formerly a Conservative leader as his probable successor, it might not unreasonably be a Conservative Government before long.

Before the recent general election Mr. Brownlee was suggested as a probable member of the King Cabinet, had Mr. King's Government been returned to office. A suggestion was made the other day that he was likely to join Mr. Bennett's Government. Nor is there any implications in all these suggestions that Mr. Brownlee is so lacking in political principle that it is a matter of indifference what Government he joins or leaves. It is rather a recognition of the fact that to a remarkable extent he enjoys the goodwill and confidence of the people of Alberta.

SEEING IT THROUGH

THERE was a striking paragraph in the recent statement sent to shareholders of International Nickel Company by R. C. Stanley, president. He said:

> "With a strong cash position $15,844,335 in cash and government securities) and an experienced organization intact, the company is in excellent condition to see this depression through, as it has others in the past. A return to normal business will enable the company to benefit from its recent heavy capital expenditures by way of lower costs and consequently increased earnings."

This is the keynote of the considered statements of Canada's business leaders today. They recognize that we are in the midst of a serious business depression. But they also know that soundly financed and well-managed business concerns will see the depression through. And the reason they are so confident is that they have done the same thing on more than one occasion in the past and have emerged to enjoy greater prosperity than ever. This, undoubtedly, will be true of International Nickel among others.

VOICELESS OWNERS

IN ONE Canadian corporation the ownership of one and one half per cent of the capital stock is sufficient to control the corporation. In several others the owners of five per cent of the outstanding stock are in absolute control. To all intents and purposes the remaining 90 per cent plus of the shareholders are a minority interest.

There was a time when actual control of a company could not be held by a group with less than 51 per cent of the stock. What was known as "effective control" required less, of course, because of the well-known indifference of shareholders to annual meetings and voting on by-laws, etc. This was well illustrated the other day when a company with 145,000 shareholders held its annual meeting and not a single shareholder apart from the directors, bothered to come out. Nevertheless, there is a reserve line of protection for the ordinary shareholder when 51 per cent of the stock is required for control. As few groups ever own that much of a company's stock, directors and managers have had to watch their step lest a dissatisfied group garner in enough proxies to turn out the old board and start a reform movement. But with the modern instrument of voting stock this protection is gone.

Many of the issues of stock made in recent years have carried no voting rights at all. Rather, a separate issue of voting stock is made and a controlling share of the issue is taken up by insiders. Thus, they perpetuate themselves in control. In some cases those controlling a company have sold out their interests to the public and yet have retained control by holding a very few shares of voting stock.

The tendency is an unfortunate one and has many elements of danger in it. Investors can put an end to the practice by using extreme caution in the purchase of non-voting shares.

* * *

League of Nations has decided to study the present depression. Their report may be available in time to help us through the next period of depression.

* * *

There is one daily newspaper in Canada that practically every day publishes an interview with some local merchant declaring that business is better today than ever and at the same time runs "help wanted" ads free to help the unemployment situation. Business is not as good as the interviewed merchants want the public to believe. People like to be known as optimists. The man who denies facts is not an optimist but a fool. The true optimist is the man who is working hard to solve his share of the present problems and holds to his firm faith that only an excess of half-baked panaceas can prevent a certain return to better times.

POST-scripts

ON A Toronto street a member of The Financial Post staff spotted a billboard advertisement of Dent Harrison's bakery. This looked like a "story," for wasn't Dent Harrison's a strictly Montreal concern and wasn't it owned by Northern Bakeries, which is of interest to Canadian investors? Northern Bakeries and its parent company, Consolidated Bakeries, already operate Ideal Bread and Nasmith's bakeries in Toronto and why were they trying to use the Dent Harrison name in this city?

There was one way to find out, to telephone the president of Southern Bakeries, Robert McMullen. Which was done.

"Never heard of it," said Mr. McMullen. "But the billboard is there," countered The Post reporter. "I don't know anything about it," was again Mr. McMullen's emphatic rejoinder.

"What'll I do about the story?" the reporter asked the editor. "Better make a postscript of it," said the editor.

Here it is.

CHESS players will be amazed at despatches from England detailing a game of chess which was recently played with various bottles of alcoholic drinks in place of the usual chess men. Bottles of beer replaced the pawns, knights were pale brown sherry, the rooks were burgundy and the kings and queens champagne. It was agreed that the player must drink each piece as he won it. One of the players, it is reported, sacrificed two pawns for a rook, being a great lover of burgundy. His opponent retaliated by making him take three pawns in quick succession and a knight. A strain began to be apparent but after a couple of pawns the players steadied down. The game started at 10 and went on until early morning, when, as the board became bare, the match had to be abandoned before a final decision could be reached.

Other People's Views

Assistance to Unemployed

Military Gazette, Ottawa.—"How far should assistance to the unemployed be carried."

Is there not a grave danger of aggravating the disease by being too tender to the patient? Can the process continue indefinitely?

Taxpayers are already burdened almost to the breaking point. In many of the finest rural sections of Ontario farms are being rented for little more than taxes. How long will the real workers in both town and country continue to slave to keep in comfort those who do not work? Will the time not come when ever increasing numbers will say in their bitterness 'I am a fool to keep on working. I get a bare and inadequate subsistence, all else I make is swallowed up in taxes. I would be wiser to stop work, join the ranks of the unemployed, and let other people feed, warm and clothe me." Grumblings such as this are already being heard. Will present conditions, if continued and worsened, lead to socialism, where the state will take charge, compel all to work, and make an equitable division of the proceeds? But just there is the rub. What government, since governments are just aggregations of men, and all men are full of failings, could undertake such a task and carry it successfully through? The time is not yet, but circumstances may hasten its approach. The prospect is not very alluring, but one nuisance at least would disappear, we should get rid of the fight to "keep up with the Joneses."—A. T. T.

What About Salesmanship?

Grain Trade News, Winnipeg.—One factor in the present situation which should not be lost sight of is the quality of wheat Canada has on hand. The 1929 wheat still unsold is well above average in quality and the 1930 crop is exceptionally good. The further report from the Grain Research Laboratory of the Board of Grain Commissioners, just made public, shows that the exceptional quality of the 1930 crop extends even to the lower grades. There is no wheat available for the importing countries of the world which by admixture will improve the softer wheats of these countries to the extent that Canada's present crop will do. If, under these conditions, Canada cannot sell its surplus, at least at the world price level, there is something wrong with our salesmanship. We have strongly urged this point for many weeks. Valuable time has been lost, but it is not yet too late by organized demonstration and publicity to broaden the demand for Canadian wheat. If efforts were turned in this direction and away from the propounding of disturbing new schemes for price fixing and bonusing, sure progress would be made toward improvement in the market situation.

Sentiment Not Enough

Stock Exchange Gazette, London.—Those shareholders of the Anglo-British Columbia Packing Co. who were unable to attend the general meeting on the 14th inst. have been much interested to receive a report of the proceedings with the chairman's speech. Feeling allusion was made to the question of Canadian salmon, which was brought before the Imperial Conference by Mr. Bennett, the Canadian Prime Minister. At present a prime industry of Canada is being destroyed. Last year, of 870,305 cases of salmon imported into this country, only about 90,000 cases, or 10¼ per cent, came from Canada. Our Board of Trade imposes a distinguishing mark for Canadian salmon, the Empire Marketing Board, at considerable expense, appeals to the British housewife to buy it, and no steps are taken "to prevent the wholesale dumping in this country of salmon caught in Russian waters, so that in a very short time, unless something is done, there will be little Canadian salmon to mark or buy." Sentiment alone will not keep out the Russo-Japanese imports.

Tourists Traffic Increases

A statement of the tourist business in Nova Scotia for the season extending from June 1 to September 30, issued by Hon. Percy Black, Minister of Highways, shows that 218,082 visitors came to the province during that period, an increase over last year of 26,357.

New Books

"A Practical Guide to Investment"

British investors regard C. P. R., Montreal Power, Shawinigan and Brazilian very highly. All of these are emphasized as good investments in this little volume, just published for the English investor. The book is undoubtedly a good guide to the elementary phases of investment for the resident of the Old Country but it has less value for the Canadian investor unless he has funds in Great Britain for investment, when some such volume as this is a necessary text book.

The author, F. W. H. Caudwell, ranks bonds of Canada and her provinces as among the world's leading investment issues. He is not so favorable to Australian issues, which may be a warning to some of our Canadian politicians who envy Australia's many socialistic experiments.

"There are people who live by speculation but it is the most difficult game ever invented says the author, urging the average man to invest rather than speculate.

The "practical guide" is published by Effingham Wilson, 16 Copthall Avenue, London, E.C. 2, at 7s. 6d.

"Mr. Lloyd George"

David Lloyd George is today leader of the Liberal party in England, but largely because he controls a political fund estimated at £1,000,000, the largest in the record of any political party. All of this money is directly under his control and he feels no sense of responsibility concerning its administration to anyone, but himself as the nominal head of the Liberal party. But those Liberals in English politics who feel that Lloyd George has never really been a Liberal, that he has been a strange combination of Socialist, Conservative and Laborite (with the emphasis upon any one of these determined by the exigencies of the movement) do not, and never will recognize Lloyd George's leadership. If Liberalism in Britain today is at its lowest ebb, if many of the best brains of the Liberals are to be found in the Conservative and Labor ranks, and if the influence of Liberalism in British politics is practically non-existent, it is due to Lloyd George, in the opinion of men who have held to Liberal principles through thick and thin.

One of these is Sir Charles Mallet and in his newest book, "Mr. Lloyd George," he outlines in vigorous sequence, the story of Mr. Lloyd George's cunning opportunism from the days when he first became a factor in British politics, and through to his unscrupulous war and post-war political activity.

Sir Charles Mallet's book is not really an objective biography of Britain's greatest political trickster. Mallet feels too keenly the effect on Liberal fortunes of Lloyd George's adroit and fantastic manipulation of political power ever to write of Mr. Lloyd George from the detached viewpoint. Thus the book becomes more an extensive magazine article, obvious and determined piece of special pleading.

Through it, is traced the story of Mr. Lloyd George's grandiose socialist schemes, the failures of practically every one, his vacillations during the war, his unforgivable handling of the khaki election in 1918, his handling of the Irish situation in 1920 and 1921, his extravagant management of national finances in the post-war years, and finally his attempt to retain power at all costs regardless of honor or continuity of purpose.

There is little in the nature of intimate revelation here given for the first time since the book is not a record of Mallet's own career. But the author has carefully and interestingly selected material from other diaries and memoirs recently published and strung it together in a manner to interpret many of the vagaries of Lloyd George's career.

As a political document testifying to the opinion in which Lloyd George is held by the genuine Liberals of England and as indicating somewhat bitterly the record of a most amazing career, Sir Charles Mallet's volume is most interesting.

It is published by E. P. Dutton and Company, New York and the Canadian distributors are Newman and Waller, 21 King St. E., Toronto. The price is $3.50.

Newspaper is Human Force; More Than Business Enterprise

Colonel Robert McCormick, publisher of the Chicago Tribune, delivered the opening lecture at Yale University recently on "The Newspaper as a Business Enterprise."

He said, that, paradoxically, he did not call the newspaper a business enterprise, but a dynamic human force in progressive civilization.

The newspaper, he insisted, was not the result of a business organization but the achievement of an individual or a happy combination of individuals, and that with the passing of these the newspaper would fall into a slow and steady decline until it came into possession of another man or group of men suited to the occasion.

"That these men can be produced at will by a board of directors, representing stockholders, as in the case of banks and railroads, the evidence of the past does not indicate," he continued. "If you consider investing in the newspaper field, invest in men, not in a corporation.

"The analogy of a newspaper to a business rather than to profession has been accentuated of late by large financial transactions in the purchase and reorganization of newspaper property," he said. "It is normal political practice for politicians and promoters opposed to a newspaper to challenge constantly its sincerity and undermine its influence.

"So many newspapers have been purchased openly or surreptitiously to serve a special interest that the public is suspicious of an ownership that is not apparent and too strong to be subject to coercion from any source within or without.

"The pioneer newspaper which takes up an element of human life which leads to emancipation of any kind, social, political or religious, promotes human progress, and the future of journalism lies in such efforts of emancipation."

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Business Conditions in Canada

INCREASE IN TAXES SEEMS INEVITABLE AS REVENUE DROPS

Customs Receipts Now Over $47,000,000 Below Last Year

EXPENSES ARE HIGHER

New Tariff Revenues Should Help But Increase in Some Taxes Very Likely

That business in Canada is on the verge of a tax increase, seems inevitable judging by the ever-increasing gap between revenue and expenditure that faces the new Bennet government at Ottawa.

According to the monthly figure of the Department of National Revenue, customs and excise revenue for the first seven months of the fiscal year has fallen off $47,700,000—a decline which has been offset only in very small measure by the fact that revenue from income taxes has reached the highest figure on record and is $2,374,000 higher than at this time a year ago.

November Should Improve

If such a situation were carried forward at a similar rate for the remainder of the fiscal year the government would be faced with a loss of approximately $77,000,000 by next March. However, according to customs officials this would not be a true picture of the situation in that the government has given importing firms until this month to bring in under the old tariff rates, goods which were purchased before the recent tariff increase. Accordingly it is expected that the consequent rush to bring in goods this month will have considerable effect in restoring the heavy decline in customs revenue which amounted in October alone, to over $11,000,000.

According to Ottawa despatches, the expectation of the Government is that customs and excise revenues will decline by at least $50,000,000 for the year, and that there will be further losses of $20,000,000 in respect to the sales tax and of $10,000,000 in respect to liquor revenues, as compared with last year. In addition the National Railways are expected to require some $40,000,000 more than they received last year, in consequence of the poorer showing which they have been making.

Expenditures Incerase

As against this expected decline in Government and National Railways revenues of $120,000,000, there is a surplus of $45,000,000 by which revenues exceeded expenditures last year. The net deficit which will have to be made up by some new source of revenue, accordingly will be some $75,000,000.

To what source the Government will turn for additional funds has not yet been decided. It is expected that the higher tariff rates which are to be the result of the general revision will go part way towards furnishing them, but it is conceded that in addition new taxation will have to be resorted to. The administration, for instance, stands pledged to national old age pensions and to assistance throughout the period of the unemployment crisis, which will make its expenditures heavier than were those of the King Government.

Sugar Tax Suggested

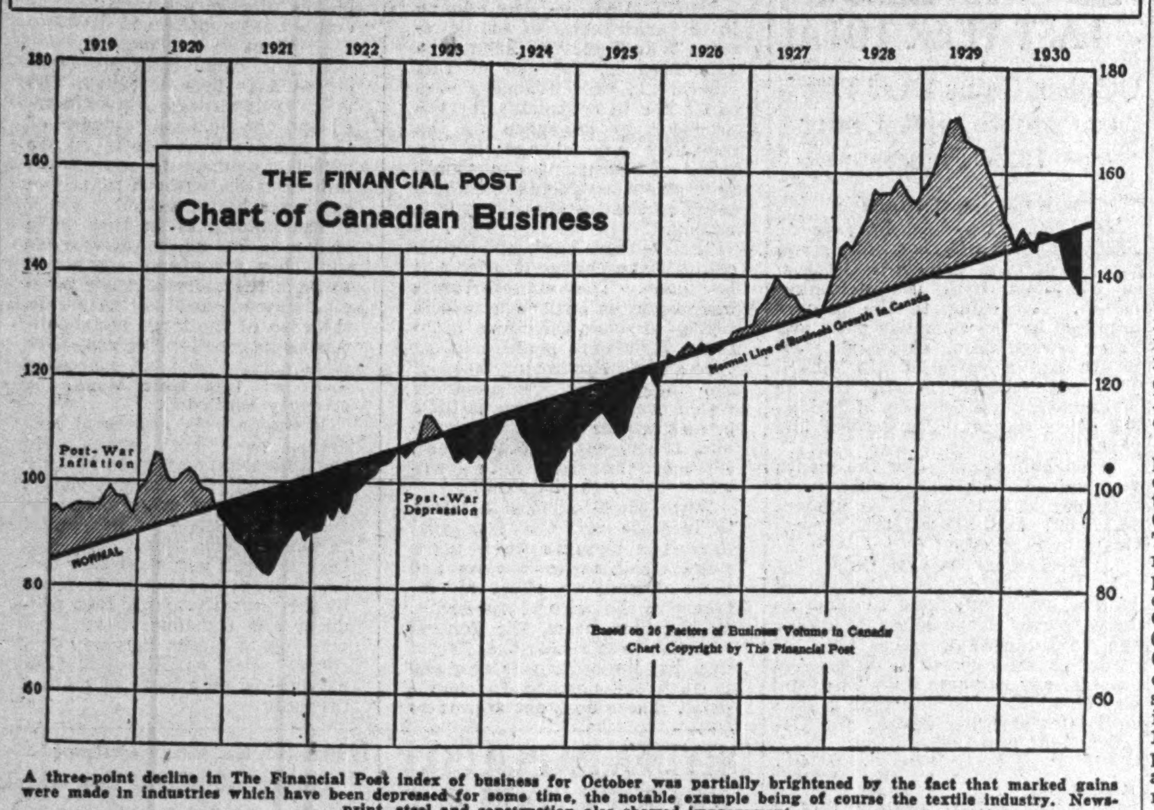
Only a few weeks ago at the annual meeting of the Canadian Tax Conference at Toronto, Professor Hubert Kemp in discussing the relation of taxation to business, threw out the suggestion that in an effort to raise further revenues the government might turn to an extension of the excise tax and place a tax of say one cent a pound on sugar. At the currently rock-bottom price for sugar, this would not be at all exorbitant, it was stated, and would net the government something like $9,000,000 a year with very little effort. It was also suggested that at the present time the sales tax was proving a rather expensive tax to collect in that the amount of return therefrom was now very small whereas collection costs remained the same as when the tax was larger. An increase in revenue could also be achieved there without much, if any, additional expense.

It is interesting to note that business men who attended this tax conference at Toronto and who listened to Professor Kemp's suggestion for an increased tax on sugar, expressed themselves very vehemently against such a proposal, on the basis that it was directly taxing the working man and that if such a type of tax were to be used they would rather see the tax on luxuries, such as tobacco and liquor increased.

Income Tax at Peak

One further point that must be considered in this question is the fact that 1929 will mark the peak—at least for some years—of the money that can be raised under present rates of taxation, from the income tax. There are perhaps few corporations and individuals who will be able to report as handsome incomes in 1931 as they reported in 1930, on account of 1929 receipts, so that even with the present scale of income taxes the Government cannot hope to again raise the $60,000,000 to $70,000,000 that was collected in this manner this year. On the other hand expenses, due to various relief works and so forth do not seem to have been reduced materially, and indeed it would not be surprising to find them materially increased next year unless drastic cuts are made to offset new and enlarged items.

Business Now 9 Per Cent Below Normal



Based on 26 Factors of Business Volume in Canada
Chart Copyright by The Financial Post

A three-point decline in The Financial Post index of business for October was partially brightened by the fact that marked gains were made in industries which have been depressed for some time, the notable example being of course the textile industry. Newsprint, steel and construction also showed improvement.

October Business Data Shows Some Brightness Despite Further Decline

Trade Now 9 Per Cent Below Normal as October Index Declines 2 Per Cent—Several Industries Make Gains

By SYDNEY B. SMITH

Despite several constructive developments of importance, The Financial Post index of general business again showed recession in October. Heavy imports of raw cotton and satisfactory gains in building contracts and permits were among the brighter aspects of the situation. Newsprint production showed a gain. The outputs of gold and coal were heavier than usual, counterbalancing a recession in base metal mining. The output of steel was greater and the recession in the output of electric power was moderate after seasonal adjustment.

Receipts of grain at the Lakehead and Pacific Coast ports were practically normal for the season. Carloadings were lower after seasonal adjustment and industrial employment was at the lowest point on the present movement.

While impressive gains were scored in a number of industries indicating that readjustment had been effected to a certain degree, a composite of business operations shows that on the whole, a continued recession was in evidence during October compared with the preceding month. The business index of The Financial Post receded to 136.3, the monthly average from 1919 to 1924 being regarded as the base equalling 100. This compared with 139.2 in September representing a drop of about 2 per cent in the month under review.

Nine Per Cent Below Normal

As the normal, computed by fitting a straight line to the index and determined from the period from 1919 to the end of 1928, was 150.0 in October it is clear that the index of the volume of general business is now nearly nine per cent below the long-term trend. During the period from 1928 to 1929 business operations were greatly in excess of normal and the area now being shown below the computed normal line may be regarded as a counterbalance for the prosperous period culminating in May of last year.

The business recession which has now developed into a major depression has been in progress for 17 or 18 months. While it is impossible to forecast the length of the present depression from historical precedent as no two cycles are exactly comparable, it is of interest that the declining phase of the world-wide depressions of the last 75 years have never exceeded 24 months. The depression of 1921 lasted from August, 1920, to July, 1921, and aside from the marked economic development of Canada in the period from 1921 to 1930 it is noteworthy that according to the present method of compilation, business operations were farther below normal in 1921 than at the lowest point of the present depression reached in October.

Gauging Next Six Months

The interesting feature at the present time is the current trend of the important industries indicating the prospects during the next six months. There is a sense in which a marked gain in production would be a source of weakness in the face of an inadequate market and a declining commodity price trend. A restriction in the output of certain commodities where prices have declined to the point where profitable operation is practically impossible may prove to be much the wiser policy at the present time.

Manufacturing conditions were uneven in October, several marked gains being shown in industries which have been depressed for some time. The imports of raw cotton were 12,700,000 pounds, showing a large increase over September after seasonal adjustment, and even surpassing the records of the same month of last year Gains in employment in the several divisions of the textile industry were general in October. Judged by the statistical indications and by the transformation in the prospects in the textile industry of other countries especially the United States, it appears evident that a corner has been turned.

Construction Brighter

While there was nothing spectacular in the indicators of conditions in the construction industry, moderate gains were made both in construction contracts awarded and in building permits. It is anticipated that the amount of work in progress during the winter season will reach a satisfactory level, absorbing a considerable number of workers who in normal years would be engaged in logging operations.

The output of 213,817 tons of newsprint showed a gain considerably greater than normal over the preceding month. Employment in the industry showed an increase of 7 per cent. The decline of 6 per cent in the output of newsprint during the first 10 months over the same period of last year would not under ordinary circumstances be considered excessive, for a period of general depression.

Steel Output Rises

As only four blast furnaces were in operation in October, the output of pig iron dropped to 40,079 long tons compared with 48,395 tons in September. The output of steel ingots and castings, on the other hand, showed a gain of 17 per cent, the total being 65,431 tons. While the output of automobiles was at a low level, early improvement was indicated by a gain of 6 per cent in working forces after seasonal adjustment. Anticipated activity in tire factories was indicated by the increased importation of crude rubber. Imports of crude petroleum showed contraction.

The gain in the output of electric power over September was not equivalent to the normal increase of the season. The total production in October was 1,549,000,000 kw.h. The consumption was not as great relatively in October as in the preceding month. The consumption of electric power in Ontario and Quebec in October was 1,131,000,000 kw.h. compared with 1,032,000,000 kw.h. in September but part of this gain was doubtless of a seasonal nature. The consumption in the two provinces in October, 1929, was 1,218,800,000 kw.h. The power industry of Canada has been affected by the depression but the recession has been of a relatively moderate character.

Canadian Business Indicators

Compiled Weekly by The Financial Post

	Weekly Latest		Cumulative Jan. 1, to date	
	1930	1929	1930	1929
C. P. R. Gross earn. (Nov. 14) ..	$ 3,250,000	$ 3,695,000	$ 152,942,000	$ 181,923,000
C. N. R. Gross earn. (Nov. 21) ..	$ 4,198,286	$ 4,866,268	$ 201,256,488	$ 240,395,412
Car Loadings (Nov. 15)	58,136	62,825	2,841,709	3,184,865
Common Stock Index (Nov. 26) .	112.1	161.8	......	......
	Monthly			
Production—				
Pig Iron, tons (October)	40,079	91,409	661,795	921,096
Steel, tons (October)	65,431	115,674	876,282	1,203,625
Newsprint, tons (October) ...	213,817	251,914	2,111,688	2,407,835
Automobiles (September)	7,957	13,817	138,622	233,853
Boots and Shoes, pr. (September)	1,615,859	1,737,989	13,846,000	14,819,961
Flour, bbls. (Septemebr)	1,624,238	1,282,553	11,816,370	14,324,629
Mineral Production—				
Gold, oz. (August)	169,621	164,436	1,316,120	1,264,728
Silver, oz. (August)	2,036,001	2,209,770	17,258,696	15,965,148
Nickel, tons (August)	4,544	3,721	36,787	36,259
Copper, tons (August)	13,046	10,641	104,891	77,554
Lead, tons (August)	12,770	13,524	111,982	101,880
Zinc, tons (August)	13,117	8,016	84,770	66,622
Coal, tons (August)	1,100,814	1,362,166	9,321,666	11,461,012
Natural gas, M. cu. ft. (Aug.)	1,492,973	1,891,124	18,724,986	18,222,019
Petroleum, bbls. (August) ..	136,056	111,392	898,802	690,165
Automobile Financing—				
Used Cars (Sept.)	$ 2,465,471	$ 2,655,389	$ 27,190,401	$ 32,751,579
New Cars (Sept.)	$ 1,733,884	$ 4,015,463	$ 25,788,316	$ 40,398,125
Construction—				
Building Permits (October) ..	$ 12,723,789	$ 18,073,378	$ 136,568,228	$ 204,084,467
Contracts (October)	$ 33,332,100	$ 57,083,600	$ 393,146,800	$ 498,727,500
Labor—				
Employment Index (Oct.)	116.2	125.6	......	......
Trade—				
Imports (October)	$ 78,358,351	$ 116,271,197	$ 871,816,482	$1,105,893,840
Exports (October)	$ 82,781,428	$ 119,265,558	$ 746,025,827	$ 982,823,626
Imports of Key Products—				
Rubber, lbs. (September)	8,534,060	4,273,871	47,859,866	64,596,786
Cotton, lbs. (September)	5,524,000	8,550,000	59,638,000	93,296,967
Sugar, lbs. (September)	$ 103,078,100	$ 65,563,000	$ 639,568,600	$ 617,822,600
Petroleum, crude, gal. (Sept.)	105,472,583	79,579,689	790,740,446	723,229,383
Coal, tons (September)	2,046,866	1,636,257	12,859,433	12,943,817
Exports of Key Products—				
Newsprint, cwt. (Sept.)	3,896,395	4,024,998	34,631,795	45,933,076
Automobiles, No. (September)	4,047	6,835	35,831	75,292
Wheat, bush. (October)	29,784,275	20,721,853	154,313,046	172,539,901
Wheat, flour, bbls. (October) .	813,691	554,039	6,120,613	8,430,863
Electric Power—Output—				
M. Kilowatt hours (September)	1,427,959	1,477,117	13,144,243	12,901,535
Population—				
Emigration (September)	4,702	9,302	36,158	51,827
Immigration (July)	8,383	16,465	80,178	117,824
Finance—				
Failures, No. (Sept.)	192	150	1,725	1,589
Failures, Liabilities (Sept.) ..	$ 2,081,447	$ 1,710,194	$ 36,648,414	$ 26,618,648
Bank Debits (September) ..	$2,967,181,800	$3,469,571,806	$27,887,943,009	$33,976,110,701
Bond Sales (October)	$ 153,745,037	$ 57,316,600	$ 647,802,809	$ 459,154,985
Insurance Sales (Oct.)	$ 46,019,000	$ 52,985,000	$ 471,314,000	$ 502,182,000
Wholesale Prices (1913=100)—				
General Index (October)	81.4	96.7	......	......
Iron and its products	86.9	92.4	......	......
Cottons, raw	60.8	105.6	......	......
Grains	50.5	100.1	......	......
Live stock	93.1	113.3	......	......

B. C. FISH. INDUSTRY MUST REDUCE COSTS

R. J. Gosse Outlines Difficulties Which Are Faced

Maintenance of quality of canned salmon and the question of production costs are the chief difficulties facing the British Columbia fishing industry, according to R. J. Gosse, chairman of the canned salmon section of the Canadian Manufacturers Association at a dinner recently tendered at Vancouver to Hon. E. N. Rhodes, K.C., minister of fisheries for the Dominion.

British Columbia packers are handicapped when going into the export market, according to Mr. Gosse, through the fact that fishing methods in the province differ radically from those in use by competing countries. Only 1 per cent of the British Columbia pack is produced by traps while 95 per cent of the United States catch and 6 per cent of the Siberian catch is obtained in this manner.

Unrestricted issuing of licenses by Dominion authorities is claimed to have weakened the earning power of the British Columbia fisherman and it was further charged that existing Dominion legislation prevents the conduct of the industry as efficiently and as economically as is the case with competitors. In conclusion, Mr. Gosse, advocated adoption of more efficient fishing methods to reduce production costs.

Hon. E. N. Rhodes, K.C. advised the meeting that his department had recently decided to appoint a firm of engineers to examine methods of production and merchandising in the industry and to recommend improvements. He also urged extensive advertising to develop the domestic market for both fresh and canned fish.

Hon. S. L. Howe, provincial minister of fisheries, stressed the limited authority exercised by the provincial government over the British Columbia fisheries. He deplored the fact that, while the current season's pack is the largest in the history of the province, the canners will stand a loss on the season's operations and that many of the fishermen cannot make a comfortable living due to the fact that too many are allowed to operate.

Branson, Brown Losses Lead to Closing Offices

Branson, Brown & Co., operating a stock brokerage business in Vancouver and Victoria, has closed out both offices and has sold out all accounts. Heavy losses incurred in the firm's operations in Vancouver, followed by the failure off B. C. Bond Corp. and other houses, are reported to have caused difficulty.

The firm of Branson, Brown, Merrick Ltd., which carries on a general real estate, mortgage, insurance and bond business, will, it is understood, continue business without interruption.

Murray and Brooker Join J. J. Gibbons Ltd. Agency

J. J. Gibbons Ltd., advertising agency, has announced the appointment of Gilbert M. Murray as vice-president in charge of branches and Bertram R. Brooker as chief of a markets and research department.

Mr. Murray was formerly secretary of the Canadian Manufacturers Association for many years which gave him a deep insight into all kinds of business problems. Mr. Brooker is a Canadian advertising and business writer of note and a close student of business trends.

BUREAU ANALYZES '29 SALES RETURNS FROM 210 CHAINS

Data Secured from 60 Per Cent of Chain Stores in Canada

That considerable progress is being made by the Dominion Bureau of Statistics in its annual compilation of chain store activities in Canada, is indicated by the second annual survey of chain stores in Canada, based on operations of these stores during 1929.

In all, the Bureau reports that in 1929, according to its lists, there were 350 chain store systems operating in Canada, of which 210 made returns for 1929. The 1928 returns to the Bureau covered only 132 chains. These 210 chains did a total business of $256,000,000 in 1929 according to voluntary reports received by the bureau. From this the bureau estimates that the grand total of chain store sales in Canada for that year, would approximate the $400,000,000 mark (not including sales of certain departmental stores having branch rather than chain systems, and exclusive of co-operative chains of independent stores).

Ontario Leads Provinces

Analyzed by provinces, sales of these 210 chains were largest in Ontario which reported sales of $137,683,000 or more than 50 per cent of the total. Sales of grocery and meat chains amounted to $115,232,000 or almost 45 per cent of total sales. On the basis of 1929 estimated population total sales approximate $26 per capita, or on still another basis, $68,889 per store.

In all there were 11,896 merchandising outlets in the 210 chain systems which is an average of over three for each separate store. There were 2,965 for foods and kindred products, 991 for cigars, tobacco and smokers' sundries; 428 for women's, misses and children's clothing; 410 for house furnishings; 287 for drugs and drug sundries; and 378 for hardware.

Food Products Lead

Sales according to commodity classes were largest for food and kindred products, amounting to $140,733,000 which was almost 55 per cent of the total sales of the 210 reporting chains. Next in order came women's, misses and children's clothing with sales of $10,743,000; men's clothing and furnishings, $9,815,928; cigars, tobacco and smokers sundries, $8,687,000; drygoods and notions, $7,961,000; hardware, $7,730,000; toilet articles and preparations, $7,078,000; shoes and other footwear, $6,530,000.

The total number of stores operated by these 210 chains numbered 3,718 of which 1,871 were in Ontario, operated by 105 chains; 874 in Quebec, operated by 49 chains. British Columbia ranked third with 316 stores operated by 16 chains.

The following tables show, first the analysis of chain store data collected, by provinces, and second, sales analyzed by commodity groups:

Chain Store Data by Provinces, 1929

Province	No. of stores	No. of outlets	Total sales
Nova Scotia and P. E. I. ..	70	445	$ 5,608,201
New Brunswick	50	390	4,819,125
Quebec	874	3,038	56,489,703
Ontario	1,871	5,379	137,682,696
Manitoba	176	423	11,877,076
Saskatchewan .	200	585	11,666,542
Alberta	161	619	10,664,704
Br. Columbia ..	316	1,027	17,321,927
Total	3,718	11,896	256,129,974

* Covering 210 chains reporting to Dom. Bureau of Statistics.

Sales in Canada by Chain Groups

	No. of stores	Total Sales
Bakery Products	121	$ 2,178,483
Boots and shoes	157	5,675,086
Candy and confectionery .	106	3,785,942
Drugs and chemicals	200	12,915,808
Dry goods	12	658,876
Dyers and cleaners	39	1,751,090
Furniture	83	10,089,758
Furs	15	1,603,489
General and variety	354	49,655,676
Grocers	1,699	104,223,178
Hardware	63	7,400,704
Men's clothing	102	6,654,951
Mus. instru., radio	66	9,122,804
Meats, fish & poultry ..	186	11,009,001
Restaurants	131	13,045,670
Tobacco and cigars	173	6,542,262
Women's wear	108	5,075,348
Miscellaneous*	43	4,741,850
Total	3,718	$256,129,974

* Includes 4 chains: Jewellery, stationery, tires, automobile accessories.

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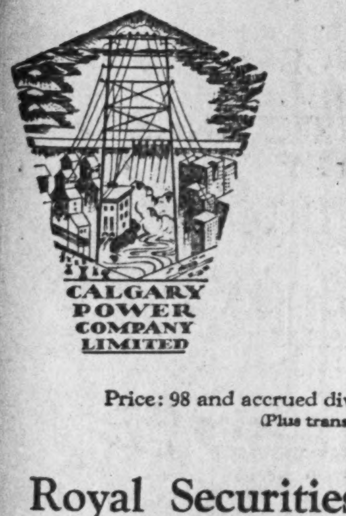

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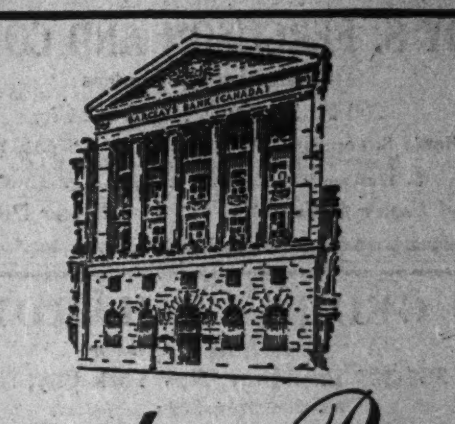

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British Columbia Telephone Link

The B. C. Telephone Co. has announced the beginning of construction of British Columbia's link in a complete trans-Canada telephone system. The provincial link will cost $1,250,000. All Canadian telephone companies are co-operating in this national undertaking.

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Canadian Pulp and Paper Industry

Open Newsprint Market Established by Members Of Newsprint Institute

Pro Rata Distribution of Orders Goes by Board

FIRST FORWARD STEP

Plan of Consolidation Still Blocked by Lack of Common Basis

From Our Own Correspondent

MONTREAL. — Members of the Newsprint Institute of Canada have agreed upon the principle of an open market and may now compete for each other's business. The only restriction is that prices must be maintained.

This is the first definite step forward taken as a result of the numerous meetings of the industry's leaders over the past few months. It is a plan that has been openly advocated by many, who regarded the attempt to set up a cartel as not in the best interests of the industry.

This move minimizes the possibility of open warfare. As long as the members observe the restriction in regard to prices, there is little prospect of any serious cut in prices.

May Switch Contracts

No immediate effect is expected from this move. Later on it will likely mean the readjustment of a number of accounts, which have been apportioned out to the members usually on the basis of the proximity of the mill to the publisher. Thus a company in Quebec may decide to compete for business which can be handled to better advantage by a mill located in Ontario.

Sales efforts, accordingly will have a more important bearing upon operations than has been the case in the past. Those companies which have maintained an organization will be in position to benefit from this move upon the expiration of present contracts.

Little Merger Progress

There has been no new development in connection with further consolidations. There have been any number of rumors as to how the operators will line up under the proposed merger scheme, but as far as can be ascertained from official sources, the executive of the different companies are still arguing as to the basis of an agreement.

The belief seems to be gaining headway that the only solution of present problems lies in cutting capitalization. One of the principal producers is understood to be much averse to this move, and this objection has blocked progress.

Tonnage Vital Need

Tonnage is the principal thought back of the mind of most of the producers. To continue mill operations on the same basis as in the past twelve months, with no prospect for an increase in price will inevitably lead to financial troubles. For that matter, the majority of companies are not any too well off at present and prospects appears rather discouraging.

Newsprint production figures show a gain in volume, but mill operations only gained a fraction of one per cent. This was due to the stepping up in the mill rating from 11,700 to 11,820 tons daily, and also to the longer working month.

Shipments showed the greatest gain, however, indicating a more or less seasonal advance in demand.

Cut Down Stocks

A point which has not generally been appreciated, though, is the fact that North American mill stocks dropped from 93,374 to 85,856 tons, this being equivalent to 5 days average production. The manner in which stocks on hand had been advancing over the past few months had not been unlike the trend in 1928, when there was a wide open break in the fall, resulting in the setting up of the Newsprint Institute of Canada to apportion business to member companies.

The lowering of mill stocks, therefore, points to the fact that the operators are paying close attention to supplies and are making strenuous efforts to see that the situation does not get out of hand again.

Larger Demand Unlikely

If there was a prospect of increasing demand during 1931, the position of the producers would call for considerably more optimism. Without that prospect, the manufacturers are faced with a larger installation of machines, with a smaller amount of business available per machine.

Some of the old machines have been closed down or are operating on short time. It is an open secret that one or more of the manufacturers would be glad to cease operating their high cost mills. There are many difficulties in the way of such a step. In the first instance, pulp and paper plants are usually in a self-contained community. The closing down of the plant would inevitably lead to much hardship. The provincial governments would not sit idly by and see this done. Accordingly the high-cost mills have to be run, even if only on short time, in order to provide a livelihood for many workers solely dependent upon the industry for their income.

Look for Change

If the open market agreement develops along anticipated lines, there should be a material change in operating conditions. While price cutting is prohibited, there are other ways in which business can be secured. What means have been taken to protect the members from giving concessions to the purchaser are unknown at present, but this matter, most likely, has been gone into thoroughly.

It is expected that a fairly clear cut idea of the immediate trend of the industry will be possible before the end of the year. The opinion is held that the manufacturers will have to get down to a mutually satisfactory working basis by that time. Whether more consolidations will take place, or a cutting down of capital where necessary, remains to be seen. Affairs have been allowed to drag along for some time, but these conditions cannot continue.

Dalhousie Paper Mill Starts Third Machine

From Our Own Correspondent

MONTREAL.—New Brunswick International Paper Co., part of the International Paper group, turned over on November 19 the third of its machines at the Dalhousie mill. Within an hour after starting up, the machine was turning out shipping rolls at 1,000 feet a minute. Fully clothed, the machine operated several hours at 1,400 feet a minute. The machine is now making at the rate of 150 tons daily and it is expected that it will eventually turn out an average of 200 tons of newsprint every 24 hours.

This is the third of a battery of four machines, each 226 inches wide. The first two machines were started up early in the year. Original plans of Dalhousie mill called for the installation of four machines, so that it has not been necessary to expand the mill in order to take care of the latest and fourth installation.

BATHURST POWER EARNINGS TO SHOW MATERIAL DECLINE

Working Capital Position Strengthened During Year

From Our Own Correspondent

MONTREAL.—Earnings of Bathurst Power & Paper Co., in 1930, are expected to be somewhat in excess of $150,000 as compared with $281,550 last year. These figures have been based on earnings, before depreciation, but after depletion into cost of wood at the rate of $1 a cord. In 1929, the sum of $200,000 was written off for depreciation, leaving a net profit of $81,550.

Since the beginning of the year activities of Bathurst Power & Paper have averaged about 64 per cent of operating capacity, though at the present time, they are on a lower scale. Only one of its two machines is operating, cutting down rating from 140 to 75 tons a day. The kraft mill was closed down in July.

It is expected, however, that the company's inventories of kraft will be depleted by the first of the year, when directors may consider the reopening of that section of the mill.

Working Capital Maintained

An encouraging factor is the company's maintenance of its working capital position. As at October 31, it is reported that current assets stood at $2,762,846 as opposed to current liabilities of $225,516. This resulted in a net working capital of $2,537,330, compared with a working capital at the end of 1929 of $2,387,933.

Carry Assets at $22,000,000

The company's buildings, power sites, plant and timber limits, which were valued in the balance sheet at December 31, 1929, at $22,248,199.

These properties include a mill manufacturing newsprint paper, kraft and sulphite pulp. Leasehold timber limits in New Brunswick and Quebec comprise approximately 2,625 square miles estimated to contain over 18,000,000 cords of pulpwood.

Owns Power Project

Bathurst Power & Paper also owns and operates a hydro-electric plant at Grand Falls on the Nepisiguit River in New Brunswick, with an installed capacity of 15,000 h.p. In addition, the company owns or controls other power sites on the same river which are capable of developing 40,000 h.p.

Expansion carried out in recent years included the installation of an additional newsprint machine which commenced operations in April, 1929, and the installation of a third 5,000 h.p. unit in the hydro-electric generating plant. Through a subsidiary, the company distributes electric lighting and power in the town of Bathurst and vicinity.

Reflects Newsprint Situation

The market value of the stock appears to be a direct reflection of the general situation in the newsprint industry. In addition to the 400,000 shares of class "A" common, there are 300,000 shares of class "B" common stock of no par value. The class "A" common is entitled to dividends at the rate of $2 a year. An initial dividend of 25 cents per share was paid on March 15, 1929, but no disbursements have been made since that date.

The shares were offered at $40 with a bonus of one share of class "B" stock with each four shares of "A."

Newsprint Institute Receives Death-Blow

From Our Own Correspondent

MONTREAL. — Action of the members in creating an open market for newsprint business, means the death-knell of the Newsprint Institute of Canada. It has been the considered judgment for some time, or since the price-increase fiasco of last November, that the Institute had outlived its usefulness.

Even the members recognize this fact and the official ending of the organization would hardly cause a ripple on the surface. There is a good possibility, however, that the Institute organization will be held together and that in future its activities will be much along the lines of that of the News Print Service Bureau, of New York, namely, collecting and distributing statistics and information bearing upon the newsprint industry.

PULP AND PAPER EXPORTS BELOW LAST YEAR TOTAL

October Gains Over Previous Month, But Under 1929 Figures

From Our Own Correspondent

MONTREAL. — An increase of nearly $500,000 was seen in pulp and paper exports in Canada in October, as compared with the preceding month. According to the returns prepared by the Canadian Pulp and Paper Association, shipments last month had a value of $15,036,321. This was $456,576 greater than in September, but a decrease of $2,859,830 below the total for October last year.

Wood pulp exports for the month were valued at $3,156,844 and exports of paper at $11,879,477, as against $3,275,697 and $11,304,048, respectively in September.

Mechanical Reports Gain

In the pulp division, mechanical pulp was the only item to show an increase over the same month a year ago. Substantial decreases were recorded in the exports of unbleached sulphite and sulphate pulp. The total was about $500,000 less than a year ago. Comparative figures for October, 1931 and 1929, follow:

	October, 1930	October, 1929
Mechanical	$ 565,689	$ 452,441
Sulphite bld.	1,422,529	1,564,010
Sulphite Unbld.	689,306	969,904
Sulphate	396,237	664,543
Screenings	36,010	52,516
All other	47,073	......
	3,156,844	3,699,414

Newsprint Sales Off

Exports of paper last month were about $2,800,000 less than in October a year ago. The largest decrease was recorded by newsprint, amounting to a little over $2,000,000. All other items were off in value, as will be seen in the accompanying table:

	October, 1930	October, 1929
Newsprint	$11,445,421	$13,604,221
Wrapping	104,633	161,278
Book (cwt.)	35,464	59,664
Writing (cwt.)	1,741	1,862
All other	292,218	365,712
	11,879,477	14,192,737

Cumulative Total Less

For the first ten months of the year exports of pulp and paper were valued at $148,733,256. In the corresponding month of 1929 the value was $163,514,218, so that there has been a decline this year of $14,780,982.

Wood pulp exports for the ten months amounted to $33,284,198, as compared with $36,041,663 in the same month a year ago. Cumulative figures show that mechanical pulp held its gain, but other items declined. Comparative figures for the two ten months' periods follow:

	Ten Mos. 1930	Ten Mos. 1929
Mechanical	$ 4,813,658	$ 4,652,929
Sulphite Bld.	15,415,565	16,145,019
Sulphite Unbld.	7,975,844	8,040,464
Sulphate	4,384,361	6,663,065
All other	694,770	540,187
	33,284,198	36,041,663

Paper Exports Decline

Exports of paper from the beginning of the current year to the end of October totalled in value $115,449,058, or about $12,000,000 less than in the corresponding period of 1929. Particulars of the exports in this division follow:

	Ten Mos. 1930	Ten Mos. 1929
Newsprint	$111,065,319	$122,368,162
Wrapping	1,210,742	1,369,898
Book (cwt.)	312,960	538,015
Writing (cwt.)	19,698	36,872
All other	2,040,339	3,159,608
	115,449,058	127,472,555

Pulpwood exports have been larger this year, shipments for the first ten months amounting to 1,220,377 cords, valued at $12,408,696. This compares with 1,174,975 cords, valued at $12,303,452 in the first ten months of 1929.

GATINEAU POWER REPORTS GROWTH OF PAUGAN PLANT

Addition of Seventh Unit Will Bring Rating to 238,000 h.p.

From Our Own Correspondent

MONTREAL. — Further developments of the Paugan hydro-electric plant of the Gatineau Power Co., a subsidiary of Canadian Hydro-Electric Corp., is seen in the announcement that an additional 34,000 h.p. generator will soon be installed.

With this new unit in operation, the Paugan plant will have a capacity of 238,000 h.p., and the company will have installed and in operation in a 26-mile stretch on the Gatineau River, an aggregate of 470,000 h.p.

As the new generator is the seventh of eight units which can be housed by the Paugan power house, only the cost of the machinery will be involved in the installation, as no extension to the power house structure will be required.

Provide for Growth

The space for the eighth unit at Paugan and for an additional generator at each of the other two large hydro-electric plants of the company on the Gatineau River will permit, without power house expansion, further installations of 92,000 h.p. when required.

From the starting of the first generator at the beginning of 1927, in its Chelsea plant on the Gatineau River, to the turning over of the fourth unit in its Chelsea and Farmers plants early last year, Gatineau Power Co. in a little over two years placed in operation in the three Gatineau River plants fourteen generators, aggregating 436,000 h.p. This is equivalent to 37 per cent of the total installation of all central station hydro-electric plants in Canada in the three calendar years.

In addition, Gatineau Power Co. constructed or installed 87,560 h.p. in other plants, making a total installation in the three years of 523,560 h.p., or 44 per cent of all such installations in Canada in that period.

Turner Oil Deliveries Increase

The daily average of oil deliveries from the Turner Valley during the first ten months of 1930 was 3,350 barrels, having increased from 2,870 barrels in January to 4,646 barrels in October. The daily average for the year 1929 was 2,607 barrels. October deliveries of 144,022 barrels broke all previous records, the high point reached before this being in June of this year when 116,000 barrels were shipped out of the valley.

Newsprint Price Policy Decision Due Shortly

From Our Own Correspondent

MONTREAL. — Any change in the price policy of the newsprint manufacturers should be announced at the end of this month. It is customary (as called for in contracts) for the producer to announce to the publisher any change in the price of newsprint one month before new contracts are entered into for the forthcoming year's supply.

To date there has been no indication that a change in price will be made. The manufacturers have been too busily engaged in trying to settle their own problems. If it were possible to secure an increased price, much of the troubles of the producer would evaporate. There is little or no prospect of such a happening. If any change takes place, it is more than likely to be downward rather than upward.

Since the ill-advised attempt to increase prices a year ago, numerous changes have taken place which make it more and more difficult to effect an increase in the price of newsprint. In the first place, the general business recession the world over has limited advertising and in turn the demand for newsprint. There does not appear to be any marked possibility of increased consumption in 1931.

Want More Tonnage

At the same time new machines have been installed. The industry is already over-expanded and the principal concern of the manufacturers is to secure sufficient tonnage to operate his mill or mills, without regard to getting a better price.

The publishers in turn have shown in no uncertain manner that they are not in any mood to have the price of their principal raw material increased. In the case of the large metropolitan dailies, newsprint costs are all-important and an increased price at this time would be strongly contested.

In the past the newsprint producers have not been overly thoughtful in respect to holding the goodwill of the publishers. Price increases have been enforced with little or no regard to current conditions. The setback last fall was a salutary lesson, which was taken to heart by the majority. Since then producer and consumer have been working in closer harmony and future price policies should be established on a basis of mutual interest.

DRYDEN PAPER CO. PROFITS REFLECT BUSINESS DECLINE

Earnings Equal to 7 Cents a Share Against $1.01 Last Year

From Our Own Correspondent

MONTREAL.—Operating profits of Dryden Paper Co. in the fiscal year ended Sept. 30, 1930, amounted to $177,053 as compared to $338,490 in the previous year. After addition of miscellaneous income and an adjustment of $8,062 representing a reserve set up in former years but not required now, total revenue amounted to $197,322 as against $351,823 in the preceding year.

After deduction of depreciation, bond interest and income tax for 1929 there remained a net profit of $10,735. This was equal to about 7 cents a share on the common stock as compared with $1.01 a share in the previous year.

The following is a comparison of profit and loss statements for the two years ended September 30:

	1930 $	1929 $
Operating profit	177,053	338,490
Add:		
Misc. income	12,207	13,333
*Adjustment	8,062	....
	197,322	351,823
Less:		
Depreciation	100,000	100,000
Bond interest	85,292	60,000
Debenture interest	....	40,119
Income tax (1929)	1,295	....
Net profit	10,735	151,704
Add:		
Prev. surplus	151,704	....
Balance forward	162,439	151,704

*Reserve set up in prior years not now required.

Working capital position has been well maintained, amounting to $850,137 as opposed to $854,134. Current assets are lower by about $70,000 at $891,997 but current liabilities amount to only $41,860 as against $106,319 in the preceding year.

Cash amounts to $36,832, which is lower by about $1,500. Call loans have dropped from $125,781 to $13,089. On the other hand, government and public utility bonds at cost are carried at $53,276—a new item. It is further stated that the company presently possesses $112,000 par value of high grade bonds which have been acquired since the balance sheet was struck.

Inventories Unchanged

Inventories are virtually unchanged at $678,736 and accounts receivable total $110,061 as compared with $165,207 in the preceding year.

Properties are valued at $4,951,617, an increase of $101,301, representing additions made during the past year. Timber limits are valued at $2.248,587, an increase of $15,000.

Reserves are Strengthened

In liabilities, accounts payable are lower by $62,000 at $21,471. Depreciation and depletion reserves have been increased by $100,000 to $1,012,846, while operating reserve now stands at $1,904 as compared with $16,607. Capital and surplus is carried at $5,400,000 and profit and loss account totals $162,434 as compared with $151,704 last year.

In his remarks to shareholders, J. H. A. Acer, president of the company, stated that results for the year were due entirely to the universal and very severe business depression. During the year, he said, the company's properties had been maintained in a high state of efficiency.

Nova Scotia Coal Output Nears 6,000,000 Ton Mark

From Our Own Correspondent

MONTREAL.—Production of coal in Nova Scotia for the first nine months of the current year amounted to 5,600,000 long tons. This compares with a full twelve months' output of 6,339,492 and 5,652,314 long tons in 1929 and 1926, respectively.

Much the greater part of Nova Scotia's coal output comes from the Sydney coal field in Cape Breton Island, which is not only the largest in the Dominion, but the most highly developed and productive.

Tamblyn Opens 50th Store

G. Tamblyn has opened a new store at Chatham, Ont., bringing the total number of the company's stores up to fifty.

NEW EQUIPMENT BEING INSTALLED BY POWELL RIVER

Large Battery of New Grinders Now Ready for Operation

From Our Own Correspondent

MONTREAL.—Steady progress is being made with the power development of Powell River Co. which will furnish an additional 18,000 h.p. to supply the power requirements of the company's pulp and paper mill at Powell River, presently being enlarged. Work on the new addition to the paper mill is progressing; the entire project will involve an expenditure of about $8,000,000.

At the newsprint plant the new grinder room has been completed and a large battery of grinders installed. This equipment is now being connected up and will shortly be available for operation. The new machinery room has also been completed and erection of machine No. 7 is being undertaken. Another activity is construction of a substantial addition to the steam plant.

Crib Dams Completed

At Lois River, where the power development is under way, crib dams have been completed and the penstock is being brought from the dam to connect up the water reservoir with the power house which is being erected at Stillwater. The concrete forms of the power house are now being bored.

The transmission lines from the power development to the pulp and paper mill have been completed for some time and power for construction purposes has been taken from the existing plant at the paper mill to serve contractors at the power development at Stillwater. This same transmission line will bring the current from the new power plant at Stillwater back to the original newsprint plant on Powell River on its completion.

The 5,800-foot tunnel which will lead the water from the Lois River to the power house at Stillwater is completed and lining of this 12-foot 6-inch tunnel is being undertaken. The ultimate production of the power development will be about 32,000 h.p., about half of which will be brought into operation next year.

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Your Investments

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Can. Nor. Power

How do you regard the bonds of Canada Northern Power Corp.? I wish to invest some money in a good bond, well secured, and have considered this issue.

Though the bonds of Canada Northern Power Corp. are collateral trust bonds and not first mortgage, the issue is well secured by senior securities of subsidiary companies. Earnings in the past have been ample to take care of interest requirements, while good progress is being made during the current year. The company has brought its new plant on the Montreal River into production and, we understand, is having no difficulty in marketing the increased output.

We think these bonds might be added to your list.

Gatineau Power

A client of mine is seeking to make some investments yielding, if possible, over 5 per cent. I have Gatineau Power Co. bonds in mind. Do you think these are satisfactory?

Gatineau Power Company first mortgage 5's may be considered a satisfactory investment. The company has made good progress since its inception, and its position has recently been strengthened by commencement of delivering additional blocks of power to the Ontario Hydro Electric Commission.

The power is being delivered under a satisfactory contract and earnings for bond interest seem to be assured in the future. Further, its subsidiary, St. John River Power Co., has increased its output in the past month, and the parent company's development programme, which has taken some years to complete, is pretty well rounded out.

Eastern Dairies

What do you think of conditions in Eastern Dairies, Ltd.? Has the company made progress and do you look for an appreciation in the common stock?

Expansion carried out in the past two years has been reflected in more satisfactory earnings, which has found reflection in the recent declaration of a dividend on the common stock. The company should make further headway as the benefits of consolidated operations in Toronto become more apparent. Eastern Dairies ranks among the largest companies in the dairy industry in Canada and its activities are widespread.

Though the shares do not enjoy an active market, it may be that they will attract a larger following when market conditions improve.

Canadian Car

I hold some preferred shares of Canadian Car & Foundry Co. I would be much obliged if you will give an opinion on this stock; would you recommend that I sell my shares?

Canadian Car & Foundry preferred shares may be regarded as a sound investment with some speculative possibilities. Earnings for the last fiscal year were satisfactory and though prospects for the current year do not compare favorably with those of 1929, the company should be able to earn its preferred dividend.

Canadian Car & Foundry occupies a strong position in the railroad-equipment industry. Earnings are liable to fluctuate substantially from year to year,—nevertheless the company has a satisfactory record and it has consolidated its position materially in the past two years. We would advise you to hold this stock; it has a good market following and given better market conditions, should make a satisfactory showing.

Ottawa Valley Power

I have some funds to invest and am considering the bonds of Ottawa Valley Power Co. Do you think this issue constitutes a satisfactory investment?

The bonds of Ottawa Valley Power Co. should prove a satisfactory investment in their class. The company states that the Hydro-Electric Power Commission of Ontario has contracted to purchase all primary power to be generated, subject to the company's right to withdraw power for sale in Quebec, for a term extending beyond the life of the bonds.

It is estimated that the rate paid will provide average annual earnings equal to more than twice annual bond interest requirements. As you know, the company is still in the formative stage,—nevertheless it is well sponsored and, we think, offers a suitable medium for the investment of funds.

Standard Paving

I am holding some preferred shares of Standard Paving & Materials and also some common that I bought at a higher price than it is now selling for. I would be glad to have your advice as to purchasing more of the common stock. Let me know the position of the company and if it is fairly sure of continuing to pay the regular dividend.

Standard Paving & Materials, we understand from sources very near the company, has earned its dividend in the first six months of the year. The last six months of its year are ordinarily not good earning months, especially during the winter where expenses rolled up rather than profits made. However, the present position of the company may be considered good.

As the present year seems to be looked after, your question naturally drives us on to think of 1931 and 1932. It is a difficult matter to decide how much business will be available in those two years, but it can be certain that this company will get its share. In your position, having already a stake in this industry, we would be inclined to diversify somewhat and put the new money into some other industry. You could buy some B. A. Oil common, for instance or purchase International Nickel on recession.

Honey Dew

I notice that the earnings of Honey Dew Ltd., have shown increases over last year. I desire information on whether the dividend on the preferred has been paid up to date, and whether the earnings on the common stock of this company are sufficient to warrant the purchase of it in the hope that there may be a dividend declared on it, say in the course of a year or so.

Dividends on the class "A," 7 per cent cumulative, no par value preferred stock of Honey Dew, Ltd. have been paid regularly since the initial dividend of $1.75 on October 1, 1928, on the original issue.

No dividends have been paid on the common stock as yet. Earnings in 1929, from February 11, 1928, to December 31, 1929, amounted to 98 cents a share on the common stock. There are 108,500 shares of no par value common stock outstanding and the surplus for the period mentioned was $106,713. In 1930 it is likely that earnings will be equivalent to those in 1929.

The company is doing very well and common stock is moderately attractive. If earnings increase for a couple of years the common position will be greatly enhanced.

Marginal Accounts

I am holding an account on margin and, as it stands, can carry it with ease. I turn back all dividends on account and can always get an extra $100 to cover margin. I should prefer to have the broker carry me as long as I am in a safe position as I do not wish to sell nor do I wish to borrow.

Two dangers of carrying an account on margin have been brought to my attention. The first is that the broker might fail and the second is that stocks might drop still further.

Would you consider that there is any serious reason for being alarmed over my account at present and should I sell part of my holdings and cover my indebtedness?

My investments on margin include: Canada Paving preferred, Loblaw class A, and B Home Oil, Canadian Canners second preferred, Consolidated Smelters, International Petroleum, Imperial Oil, Gypsum, Lime & Alabastine, Steel Co. of Canada, Canadian Dredge. I own outright, shares of Canada Paving, International Petroleum, Imperial Oil, Canadian Investors Corp., International Nickel, Sherritt-Gordon, P. T. Legare preferred.

If a firm of brokers with whom you had a margin account were to fail, all the securities would be probably sold in order to satisfy the advances made by the bank, and the balance of securities, once the bank advances were satisfied would be returned to the liquidators of the company. When finally liquidated you would share in any distribution, after payment of liabilities, as a creditor.

Speaking generally, the two dangers pointed out to you are always present with any margin account. You do not know and we do not know the exact financial position of brokerage houses. Firms which are connected with the Toronto Stock Exchange, as your broker is, are subject to periodical audits, and weaknesses are discovered much earlier than was formerly the case.

The serious danger which you have to consider is the possibility of stock slumping. Most of your stocks are good stocks to hold right through for a period of years, and we should suggest that you do so, your weakest stocks being Home Oil, and Sherritt-Gordon. You may do well to liquidate these, as there is no sign of alleviation in the present over-production of oil, and with base metals low in price. Just as a matter of safety these stocks might be liquidated.

Canada Paving preferred is stock of a company with fair prospects, but its progress should be watched carefully from time to time, and its financial statements studied so that, in case there is any falling off, you can liquidate the stocks. If the company improves its position, the stocks would from year to year get in a better position.

Canadian Dredge is understood to be doing well this year, and, though off years are to be expected, the experience over a term of years should be good.

Canada Bud Breweries

I should like your opinion of the stock of Canada Bud Breweries as an investment. I hear that the company will show an increase in earnings this year and that there is a possibility of an increase in dividend.

Canada Bud Breweries so far appears to be having a good business experience. It would not be surprising to us if the statement made to you, that the Canada Bud Breweries will be one of the corporations listed on the Toronto Stock Exchange to show substantially increased earnings for 1930, should prove correct. It is also possible that dividends will be increased, but in view of the fact that this is a distinctly speculative business and that it is subject to keen competition, further purchases should be made with caution. It is possible that recent merger negotiations may yet involve this company as well.

Imperial Oil

I am holding 2,000 Imperial Oil, 1,000 Gypsum and 200 B. A. Oil, I have been thinking of selling 1,000 Imperial Oil and buying 200 Moore Corp. or Nickel, 200 Ford A and 200 Montreal Power but before making any change I would like to have your advice.

Though we regard the long view prospects of Imperial Oil as excellent, the further diversification secured by selling half of your holdings and buying either Moore Corp. or Nickel, Ford "A", Montreal Power, we think justifies the move. All of these companies have excellent prospects for the long hold, and your holdings would be much better diversified in this way.

Brazilian Traction

I am considering International Nickel, Brazilian, C. P. R., or B. A. Oil for a long-hold purchase. Which of these stocks would you consider to be the best for a long-term investment from the standpoint of increased dividends and stock splits?

In your place, we would be inclined at present to confine investments to International Nickel, C.P.R. new, and British-American Oil, all of which appear excellent for the long pull. In the case of Brazilian Traction, we would abstain from purchase until it is evident that the new Brazilian government will pursue a conservative policy from a financial standpoint and gains the confidence of capitalists whose money is needed to refund loans and keep the exchange stabilized.

X-S Power Gasoline

I have been approached to buy stock of X-S Power Gasoline & Oil Co. Can you give me some details of this company and its possibilities as an investment?

X-S Power Gasoline & Oil Co. was organized early in the current year with an authorized capitalization of 5,000 preferred $10 par 7 per cent cumulative redeemable shares and 50,000 common shares of no par value. On October 26 shareholders met in Toronto and approved of increasing the capitalization to 25,000 preferred shares of $10 par leaving the 50,000 no par value common shares as before.

The company appears to be making an honest effort as a distributing company. It has a franchise from the Sinclair Oil Co. of United States to market its products in certain areas. Its principal operations are confined to the Bowmanville area where it has 17 or 18 pumps installed with oil distributors. It also has a wholesale storage station at this point.

Inasmuch as it is a young company and has not yet demonstrated its earning capacity, it cannot be looked upon as other than an outside speculation, and we would prefer not to invest in young enterprises of this nature until such time as their earning capacity has been demonstrated.

Blue Ribbon Corp.

Do you think that Blue Ribbon Corp preferred stock offers possibilities at the present market price?

Blue Ribbon 6½ per cent preferred stock of $50 par value has earned, in a year of depressed business, its dividend with an ample margin. We, therefore, believe it offers good possibilities at the present market.

Too Many Oil Stocks

I hold 400 shares of Imperial Oil, 1,200 shares of International Petroleum, 200 shares of B. A. Oil, 100 common shares and 200 preferred shares of North Star Oil, 50 shares of McColl-Frontenac common and 75 shares of Royalite. Should I sell some of these or continue to hold? They are now at or below the prices at which I bought them three years ago and as I am holding them on margin I am somewhat worried.

I also hold 100 shares of McIntyre, 200 shares of Consolidated Food Products "B" and ten shares English Electric "A." What is your opinion of these stocks?

In our opinion, you have made a mistake in concentrating your investments in oil stocks almost entirely.

If you sold your North Star Oil and McColl-Frontenac and invested in International Nickel your holdings would be further diversified. In any case, we would advise you to own your shares outright and to reduce your holdings in every stock sufficiently to enable you to do that.

The long hold of the stocks mentioned by you in your letter, that is, Imperial Oil, International Petroleum and B. A. Oil, appears good, and that is also true for McIntyre which is one of the best mining stocks in Canada.

Consolidated Food Products "B" might be held as the company is making a real bid at present to re-establish itself as an earner. English Electric "A" we would be inclined to sell at the best price obtainable. It is a good company which has had a chequered earnings career to date.

Ford Co. of Canada

I am considering the purchase of British Columbia, Brompton Paper, International Petroleum, International Nickel, Ford Co. of Canada "A" and Noranda. Which of these stocks would you consider to be the best purchase for a six months' hold?

For a hold of six months it is more difficult to tell you what stock to buy than it is for a hold of some years. B. C. Power, International Petroleum, International Nickel, Ford of Canada A, and Noranda Mines all look good for a hold of years, but it is impossible to place a limit or mention a period in which appreciation will occur.

As soon as business has become active again, one can expect to see Ford of Canada A stock, International Nickel stock and International Petroleum stock show better levels granted there is no extraordinary event to prevent.

Toronto Elevator

I shall appreciate it if you will give me any information you can obtain regarding the Toronto Elevator. I hold the preferred stock. Is there any market for the stock and if so, what is the bid price?

Toronto Elevator Co. has experienced an abnormal year just as other elevator companies have. The domestic business has been good, but conditions in the industry have prevented an active throughput. Therefore, earnings, though enough to look after expenses, have not been as high as the company hopes for when business is active.

The bid price for the Toronto Elevator Co. preferred stocks is around $64.

When Women Invest

A WEEKLY FEATURE

Nova Scotia L. & P.

Would you advise selling Second Canadian General Investment Trust shares and 5½ per cent Victory bonds, due 1932, to purchase preferred shares of Nova Scotia Light & Power? What is your opinion of Woodland Dairies?

We would not advise selling your Second Canadian General Investment Stock on the present depressed market. Nova Scotia Light & Power preferred shares would be a good investment for you. Woodland Dairies has done well in the past, but we would not advise it for you.

Wishes Appreciation Safety

A client, a spinster of about 60 years of age, owning her house and with an income of $850 from an estate, holds in addition 15 shares of Tucketts Tobacco preferred.

She now desires to sell this stock and reinvest the proceeds in some other stock or stocks which will give her the same income but with a reasonable prospect of some appreciation in the principal in the course of the next five or ten years.

We should therefore appreciate your recommendations to this end, having in mind that safety of principal is essential.

We have come to appreciate the value of your suggestions and look forward to the arrival of the Post each week.

Your client has a first class investment in Tucketts Tobacco preferred, and as safety of principal is a paramount consideration one would hesitate to recommend switching into anything else.

However, there is one stock which we believe can be purchased safely by any investor, and that is Canadian Pacific Railway. At the present time she can purchase C. P. R. to give her the same or a little better yield than is obtainable on the present market value of Tucketts preferred. The Canadian Pacific Railway has been paying its present rate of dividend year in and year out, and we understand that even in this year of low traffic on the railway the dividend will be earned. Appreciation in C. P. R. stock will be moderate, but we think fairly sure, and as the country expands and the C. P. R. investment increases there will be opportunities to purchase new stock at favorable prices, and your client thus would have an additional source of income and profit.

Bonds May be Issued For Variety of Purposes

When Issued, They Represent Secured Loan By Investor to Company—Distinct From Stock

Most of the articles already published in this series on elementary phases of investment have dealt with stocks. The discussion now swings into the subject of investing in bonds.

ARTICLE NINE: BONDS

In a previous article, it was pointed out that the ownership of a share of stock carried with it part ownership in some business enterprise. The ownership of a bond, on the other hand, is essentially different, in that the investor in this case is not an owner in the business, but is a creditor. His rights and restrictions are similar to those of anyone to whom money is owing.

Almost every business requires funds from time to time, in addition to the capital raised through the sale of stock. Often, this money is obtained by borrowing from the company's bank, and a loan of this kind is secured by certain or all of the current assets of the business. A banking loan, however, is of short duration, as commercial banking is based on the principle of loaning money for short specified periods only. A bank turns over its loans very frequently, and it is essential that such loans be kept always very liquid, that is, in a position where they may be readily paid off. When a manufacturing company purchases its raw materials, it is necessary for it to pay for these supplies, and to do so very often necessitates the borrowing of money from the bank for the period during which raw materials are turned into the products which the company sells. Thus, bank loans facilitate the purchase of products used in any manufacturing process. As soon as the process is completed and the goods sold, the bank loan is paid off. The length of the loan is usually only for a few weeks, although it may be renewed from time to time.

No Long Term Capital

If the management of a company wish to expand their business and, in order to do so, decide to build a new plant involving a cost, say of $1,000,000, it is impossible for them to borrow the money necessary to finance the construction of the building from the bank. It will be several months before the building is completed and probably several years before the profits of the company from the new plant will make it possible for the loan to be paid off. Such a loan can not be obtained from any bank. In addition, a bank will not loan money against "bricks and mortar" or machinery, but only against bills, notes or goods in process of manufacture. In order to finance the erection of a new plant, or the acquisition of new machinery, the management of a company must go to an investment banker to obtain a loan covering a period of years. The investment banker, if he is satisfied that the proposition is a sound one, arranges with the company to create an issue of bonds, which are then sold to the investment banker's clients, the proceeds going to the company to be used for the purpose in question.

Other Uses of Bonds

Bond issues are floated for many other purposes than for the erection of a plant or the purchase of equipment, however. Very often additional funds can be employed by a company to earn a greater rate of return than the interest which will have to be paid on the bond issue. Thus, bonds may be sold to provide working capital. Again, if a business is sold by one party to another group of men, the latter may reorganize the business and recapitalize it, selling bonds to pay for part of the purchase of the business. Real estate mortgage bonds are very common, and are sold to pay for part of the construction of the many office and apartment buildings which are being erected in our larger cities.

The purpose for which a bond issue is made has very little to do with the merits of the issue. As long as the financing is of a sound nature and the bond is well secured by assets and earnings, the investor takes very little risk when purchasing bonds. As a creditor of the business the bondholder must be paid off before the shareholder receives any consideration, so that unless a bond issue is excessively large in relation to the assets of the business, the bondholder assumes a comparatively small risk.

Most bonds are issued in denominations of $1,000 and $500. A few issues have $100 certificates, but this is the exception rather than the rule. Each issue of bonds carries a specified interest rate. The interest is usually paid semi-annually. Every bond issue, regardless at what price it may be sold, is supposed to be paid off at maturity at $100. If the price of a bond is higher than this, it is said to sell at a premium, while, if the price is lower than $100, it is said to sell at a discount. The par value of every bond is $100.

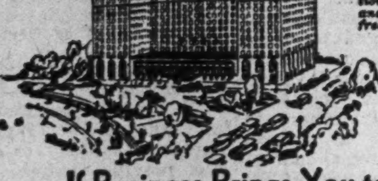
Coupon and Registered Bonds

Usually a bond certificate carries coupons which may be detached as each interest payment falls due. Such coupons when presented at the bank are readily negotiable. Sometimes a certificate may be registered in the bondholder's name and the interest mailed by cheque. This is not common, however, although usually a bond may be registered as to principal. When this is done, the bond is not negotiable unless it is endorsed by the person in whose name the certificate is registered.

In recent years, a great many issues of bonds have been floated in Canada, and an increasing proportion of these are being sold to Canadian investors. In some cases investors in Canada have lost money through the purchase of bonds. Interest may not be paid during a period of depression or of reorganization in the business, but of the hundreds of bonds which have been sold in this country a very small proportion have lost money for the bondholders.

Responsibility of Bankers

The investment banking house selling the bonds has a large responsibility, first of all, in handling only those bonds which are sound and well secured, and in the second place, in seeing that the position of the bonds is not prejudiced in any way. Many investment banking houses have saved a great deal of money for their clients by their efforts to protect their clients' interests in every respect. Investment banking in this country, generally speaking, is on a very high plane. Investors who purchase bonds from well-known and well-established bond houses may rest assured their interests are going to be looked after, and that in purchasing the better class of investment bonds they are taking the minimum of risk.



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Montreal Tramways Co., 5%, due April 1, 1955	94.50	5.40%
Architects Bldg., 6%, due May 1, 1945	98.00	6.20%
National Light & Power Co., 6%, due Nov. 1, 1949	100.00	6.00%
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IMPERIAL BANK OF CANADA

Addresses of President, Vice-President and General Manager at 56th Annual Meeting

Bank in very strong position

Business depression nearly over

The Annual Meeting of Shareholders was held at the Head Office, Toronto, on Wednesday, Nov. 26. The President, Mr. Frank A. Rolph, occupied the chair, and in moving the adoption of the report, addressed the meeting as follows:

President's Address

Before moving the adoption of the Report, may I refer for a moment to the great loss which the Bank sustained during the year by the death of our late President, Mr. Peleg Howland, on the twenty-sixth of June last. No man ever had the interests of the Bank more at heart than Mr. Peleg Howland. He was a son of Mr. H. S. Howland, who was one of the founders of the Bank and its first President. Mr. Peleg Howland identified himself with the Bank first as a Junior Officer, and in the year 1906 became a Director, and was President from 1914 until the time of his death. He was a kindly gentleman, with high mental attainments and most conscientious in all matters, especially so in those affecting the interests of the Bank. He was of a retiring disposition, but held many positions of trust, and enjoyed the confidence of his fellow-citizens. The Directors of this Bank feel that they have lost a true friend and wise counsellor.

Little did I think when we gathered here a year ago that I would be occupying the chair so ably filled by the late Mr. Howland. I fully appreciate the very high honor which your Directors conferred upon me. The honor is great, but the responsibilities are considerable. I had hoped that my good friend Sir James Woods, your Vice-President, would have accepted the honor, and it is one for which he is peculiarly fitted. All of your Directors hoped that he could see his way clear to accept the honor and assume the responsibility, but Sir James's opinion was that, at his age, he did not think it fair to himself and family, and he also expressed the opinion that it would not be fair to the Bank for him to take on this responsibiilty. So far as fairness to the Bank was concerned, we disagreed with him, but we all felt that for one who had done so much for the Bank and for Canada that it was not right to press him unduly. He has kindly consented to continue to act as Vice-President of the Bank for a time at least, and for this I am grateful.

As for myself I am not a banker, but I have met with some measure of success in business, and I can only assure you that I will do my best to merit the continued confidence of the Shareholders and Directors of the Bank, as well as its customers and staff. My own connection with the Bank has covered my whole business career, always as customer since 1875, and later as Shareholder and Director. I have always taken a very keen interest in the Bank's affairs. The responsibilities which I have assumed in accepting the position of President have been rendered lighter by realizing the calibre and type of Executive which we are so fortunate to have in our Bank; first the Directors, all of whom are personally known to me and have been for many years; second, and more important, the unbounded confidence which I have in our Director and General Manager, Mr. A. E. Phipps, and also in our Assistant General Manager, Mr. Jaffray; our Superintendent, Mr. More; our Chief Inspector, Mr. Ogden; and the Western Superintendent, Mr. Ritchie.

Business Getting Back to Normal.

The year through which we have just passed has been one of great depression in industrial circles and of great tribulation for those speculating in the stock market. The prosperous years 1925-26-27-28 and the first half of 1929 resulted in many of our people, and also people of the United States, speculating in stocks, most of them on margin, without using sound business judgment. They were speculating on prospects rather than investing in dividend-earning or interest-bearing securities. Your Bank, together with other banks, endeavored to check this tendency to unwise speculation, as the inevitable crash could be seen long before the time it actually occurred. There is a liquidating process now going on, and matters are slowly but surely getting back to a more normal basis. Through the many losses which occurred in the stock market, the purchasing power of our people has declined, especially in the purchasing of luxuries, and with the consequent unemployment the purchasing power of all classes affected has been greatly lessened even for many of the necessities of life.

If you analyse the present situation, you will find that conditions are not really so bad in this respect as they appear at this time following the most prosperous years in our history, 1928 and the first half of 1929. General trade activity is practically on a par with what it was in 1927, but in view of our banner years of 1928 and 1929 we have, more or less, lost a proper perspective.

Bank More Than Held its Own.

The year has been a difficult one for banks and business generally, but your Bank has more than held its own in the financial field. I consider we have cause for gratification in maintaining the same percentage of profits on the lesser business done, and this after making ample provision for all contingencies. Since my election to the Presidency of the Bank, I have made a survey of all of the large loans, and I feel quite satisfied that they are good and that ample provision has been made to take care of possible as well as actual losses which have not been in any way excessive this year, notwithstanding the conditions which prevail. I have also looked over the investments of the Bank, and can assure you that they are perfectly sound and their market value at present is above the book value.

Government Revenue Down.

The latest available Government Returns show that from April 1st to October 31st the total ordinary revenue for 1929 was somewhat over 287 millions of dollars, and for the same period in 1930—239 million dollars, or a shrinkage for the period of about 48 million dollars. Whereas the total ordinary expenditure for the same period was 199 millions in 1929, as compared with approximately 211 millions for 1930. An increase of about 12 millions. This is just indicative of the general conditions existing throughout the period and reflects general conditions throughout the country at the present time.

In July of this year we had a change in Government, and at the Special Session of Parliament an increase in Customs Tariff was put into effect for the purpose of aiding employment and increasing production in certain Canadian industries.

The Empire Conference.

Our new Prime Minister, the Right Hon. R. B. Bennett, after putting into effect this legislation, proceeded to the Empire Conference in Great Britain where he frankly expressed his views regarding inter-Empire trade. What ultimate benefit Canada is to derive from this Conference we cannot yet foresee, but irrespective of our political opinions we must give the Right Hon. Mr. Bennett credit for his courage and energy, and it is sincerely to be hoped that his policies will result in increased agricultural and industrial activity and profit for the benefit of Canada.

We await with much interest the outcome of the policies which the present Government has put into effect. Without regard for our political opinions, let us give it time and opportunity to carry these out.

Heavy Loss in Grain Values.

For all Canada the latest Government returns show that in the production of grain of all kinds, there has been a substantial increase in volume in 1930 over 1929, but notwithstanding this increase there has been a shrinkage in monetary value of about 70 millions of dollars on present market values. The estimated world requirements in wheat are approximately 500 million bushels less than the present estimated surplus in all countries. No wonder, under these conditions, that the present prices obtainable by the farmer are so low. Another of our great natural products, pulp and paper, is showing unsatisfactory results, the demand being about 5 per cent (5%) less in 1930 than in 1929, with surplus capacity to requirements and with a very unsatisfactory price situation.

The Manufacturers' Problems.

Throughout Ontario manufacturers are all finding times difficult, with the demand considerably below productive capacity, and lower prices make business difficult to obtain, even at the lower prices, and profits in many cases are negligible.

In the West the number of livestock on the farms has been steadily increasing in recent years, but the volume of sales is about the same for the past year as for the year previous, but with lower average prices, with the possible exception of hogs.

The marketing of wheat is a problem which has been giving grave concern to Federal and Provincial Governments, and indeed to wheat-growing countries throughout the entire world. The problem, of course, is primarily one for the farmer himself to work out, and I have sufficient confidence in the ability of our Western farmer to do so. The farmer has to produce the wheat and he has to sell it, and like all other lines of business he has got to be governed by competitive world prices. Growers and manufacturers of all other commodities have similar problems to meet. Commodity prices are down all along the line, but from all statistics available, we have every reasonable hope of seeing a betterment in lower cost of production and increased selling price sooner, perhaps, than we now think possible.

Wheat Advances Secured.

In connection with the marketing of wheat and other products of the farm, the banks have to render a service. They have to advance the money necessary to see that wheat and other products are delivered to their final destination for consumption. In rendering this service, the banks have to take the necessary security to protect the money so advanced. The banks cannot control world market prices. They can, and will, finance this large undertaking when they are given reasonable security, and this security they hold today. So that, as Shareholders of the Bank, you need have no anxiety as to the outcome of loans made by your Bank and by other Canadian banks in financing the wheat crop.

As a result of the very low prices obtainable for grain at the present time, the purchasing power of the farmer, especially in the West, is very much curtailed. His power of consumption is just as great, but his purchasing power is greatly diminished. The consequence is the manufactured products which he would like to buy he has to defer buying until his purchasing power improves. With this condition maintaining throughout Canada for the last eighteen months, manufacturing industries of all kinds have had to suffer, but after all, as statistics show, Canadian trade activity is even now on a par with the year 1927, and in 1927 we thought we were doing remarkably well, so do not let us lose our proper perspective.

Industrial Improvement Indicated.

Our industries arising from our great natural resources, such as Mining, Lumbering, Pulp and Paper, are suffering from overproduction and a consequent drop in prices, but this is a situation which we have passed through before, and which we are, I am thankful to say, passing out of now. Recent indications show improvement in many lines. We have, in most cases, I think, touched bottom, and while the upgrade in volume and price will probably be slow, it has already started in some commodities, and I feel satisfied will continue.

History Repeats Itself

There is an old saying "History Repeats Itself," and how true it is. A circular issued by one of the New York banking houses came into my possession a short time ago, in which is reprinted an article from Macaulay's Essays, taken from the Edinburgh Review of January, 1830—just 100 years ago. There is such a marked similarity between the conditions existing then and the conditions of today, that I am going to quote a few sentences from this article which to me are most interesting.

100 Years Ago Macaulay Said:

"History is full of the signs of this "natural progress of society. We see "in almost every part of the annals "of mankind how the industry of individuals, struggling up against "wars, taxes, famines, conflagrations, mischievous prohibitions and "more mischievous prohibitions, "creates faster than Governments "can squander repairs whatever invaders can destroy. We see the "capital of nations increasing and all "the arts of life approaching nearer "and nearer to perfection in spite of "the grossest corruption and the "wildest profusion on the part of "rulers."

Result of Napoleonic Wars.

"The present moment is one of "great distress. But, how small will "that distress appear when we think "over the history of the last forty "years—a war, compared with which "all other wars sink into insignificance; taxation, such as the most "heavily taxed people of former "times could not have conceived; a "debt larger than all the public debts "that ever existed in the world added "together; the food of the people "studiously rendered dear; the currency impudently debased, and improvidently restored. Yet, is the "country poorer than in 1790? We "fully believe that in spite of all the "misgovernment of her rulers, she "has been almost constantly becoming richer and richer. Now and then "there has been a stoppage, now and "then a short retrogression; but, as "to the general contingency, there "can be no doubt. A single break "may recede, but the tide is evidently "coming in."

"If we were to prophesy that in "the year 1930 a population of fifty "millions, better fed, clad and lodged "than the English of our time, will "cover these islands—that machines "constructed on principles yet undiscovered will be in every house—"that there will be no highways "but railroads, no travelling but "by steam—that our debt, vast "as it seems to us, will appear "to our great-grandchildren a trifling encumbrance, which might "easily be paid off in a year or "two—many people would think us "insane. We prophesy nothing; but "this we say—if any person had told "the Parliament which met in perplexity and terror after the crash of "1720 that in 1830 the wealth of England would surpass all their wildest "dreams—that the annual revenue "would equal the principal of that "debt which they considered an intolerable burden, that men would "sail without wind and would be "beginning to ride without horses—"our ancestors would have given as "much credit to the prediction as "they gave to Gulliver's travels. Yet, "the prediction was then true. To "almost all men the state of things "in which they have been used to "live seems to be the necessary state "of things. Hence this, that though "in every age everybody knows that "up to his own time progressive "improvement has been taking place, "nobody seems to reckon on any "improvement during the next generation. We cannot absolutely "prove that those are in error who "tell us that society has reached the "turning point—that we have seen "our best days. But so said all who "came before us—with just as much "apparent reason."

"Two hundred and forty millions "of debt!" cried all the statesmen in "1783 in chorous"—(incidentally I "may say here the debt on March "31, 1930, amounted to £7,597,000,000)—"what economy on the part "of a Minister can save a country "so burdened? We know that if, "since 1783, no debt had been incurred, the increased resources of "the country would have enabled us "to defray that burden, at which Pitt, "Fox, Burke stood aghast—to defray "it over and over again, and with "that much lighter taxation than "what we have actually borne. On "what principle is it, that, if we see "nothing but improvement behind "us, we are to expect nothing but "deterioration before us?

"It is not by the intermeddling of "Mr. Southey's—the omniscient and "omnipotent state—but by the prudence and energy of the people, that "England has hitherto been carried "forward in civilization; and it is to "the same prudence and same energy "that we now look with comfort and "good hope. Our rulers will best "promote the improvement of the "people by strictly confining conditions to their own legitimate duties "by leaving capital to find its most "lucrative course, commodities their "fair price, industry and intelligence "their natural reward, idleness and "folly their natural punishment—by "maintaining peace, by defending "property, by diminishing the price "of law, and by observing strict "economy in every department of "the State.

"Let the Government do this—the "people will assuredly do the rest."

Macaulay Underestimated Progress

How true the forecast in the article above quoted, but underestimated the progress we would make in 100 years! How trivial the debts of Great Britain in those days compared to ours in this year 1930! What advances have been made throughout the world beyond the possible dreams of the man who wrote the article in January, 1830. Surely we have reason to cheer up and take courage. Canada is still in its infancy, Canada has her best years before her. How I envy the young man of today with the prospect he has ahead of him. We must be industrious and thrifty. We must go forward with courage and confidence. We should maintain our present standard of living, which is something that we in Canada should be proud of.

In any economic programme which present conditions may make it necessary for us to take into consideration, the last item for us to consider is a reduction in the pay of the wage-earner. The time may come when it will be necessary to do this, but until it is absolutely essential I think we should encourage our wage-earners to increase their individual output in order to make possible the making of profits with the lower prices now maintaining in all commodities. If we put it fairly and squarely up to the wage-earners of this country, they will, I am sure, do their part, and not until it becomes impossible for us to stay in business without reducing wages should we take any step toward doing so, but when the time does come—and it may have come with some industries now—I believe that the wage-earner will cheerfully do his part to meet the conditions which prevail throughout Canada.

Tribute to the Staff.

Coming back to our own immediate Bank affairs, I would like to pay my personal tribute to the Staff. I have already referred to the great satisfaction it gives me to be working in conjunction with Mr. Phipps and his Chief Assistants. I have met many of the staff since taking office, and I hope to meet still more. Their loyalty and service to the Bank is very highly appreciated.

In conclusion I would like to say that I am an optimist and in a country like this we should all be optimists. Canada is on the threshold of much bigger and better things. She cannot help but go forward if her people are industrious and move forward with courage and confidence in order that they may participate in the good times which are before us.

Sir James Woods,

Vice-President

I concur in all that Mr. Rolph has said about Mr. Howland. In his passing away, every member of our Board lost a close, personal friend, one for whom we had a genuine affection. We have the satisfaction of knowing that death took Mr. Howland at the summit of his career and when the Bank, to which he was so devoted, was outstandingly strong and successful.

It was gratifying to me to find my fellow-Directors willing to have me succeed Mr. Howland in the Presidency of the Bank, but, at my age, I should be shedding responsibilities, not assuming new ones, and I know our Shareholders will enthusiastically and unanimously endorse the appointment of Mr. Rolph. No better choice could have been made.

Since our last annual meeting a marked change has come over world affairs. While some of the causes of today's industrial depression are complex and difficult to diagnose, there are factors, world-wide in their scope, which are plainly contributory. During the war the dislocation of established trade channels led to the organizing of new industries in practically all countries. When war ended, there was a natural desire to safeguard such industries, and since 1918 tariff protection has been the prescription for economic maladies in all countries but Great Britain, and it may be well to consider to what extent these new and higher barriers are responsible for the collapse of international trade, particularly Britain's world trade. Inter-Empire trade as "one way out" has much to commend it, but trade implies both buying and selling, and only in a minor degree can it be founded on kinship or friendship.

Trade Depends Upon Profits

This is demonstrated time and again. The Empire Purchasing Board, established in Great Britain a year or more ago, spent large sums advertising Empire products, but on the British market Canadian wheat is pushed aside by wheat from Russia and Argentina, and Canadian canned salmon is ousted by the products of Russia and Japan, but Canada has so many bright spots and so much to be thankful for that our Presidents' optimism is more than justified.

Mine Products Worth $307,000,000.

In 1929 the mineral production of our country reached a total value of more than $307,000,000, an increase of 11.69 per cent. over that of 1928. This increase is greatest in the case of metallic products, although substantial advances were made in all other classes — fuels, non-metallics and structural materials. While every Province shows an increase in value of mineral output, the advance is greatest in Ontario, followed by British Columbia, and Quebec. The past year shows evidence of the great mineral resources of Canada, the readiness of financiers to assist in mineral development, and especially of the ability of our engineers and technical men, mostly trained in Canada, to solve the local problems which must be dealt with if we are to produce and sell in competition with operators in other parts of the world.

The falling-off in the tonnage of coal raised in British Columbia and Alberta during the past year was not balanced by the increases in the other Provinces. The failure of the coal industry to advance, even in times of great prosperity, is due, in part, to the necessarily high cost of transportation to distant parts of Canada, in part to the development of hydro-electric power and in a large measure to the more general use of fuel oils for marine engines and for domestic heating. This matter is, at present, receiving the serious consideration of those interested in the expansion of coal mining in Western Canada.

A considerable number of mining properties of proved value were, at the beginning of the present year, undergoing development with a view to beginning or increasing production in 1930. In some instances, these expectations have not been realized, owing to the fall in market values, particularly of copper, lead, zinc and silver. In most cases, development of mines and plants has been continued, so that production may respond readily to improved market conditions. The great advance made in recent years in the separation of ores has given value to certain constituents which were formerly not saved. In the application of these processes to ores where zinc is found along with copper or lead, so much zinc may be saved as to make this metal almost a by-product, causing a permanent fall in zinc prices.

The value of the output of metallic mineral products for Canada, during the first six months of 1930, is almost equal to that for the corresponding period of 1929, though fuel products indicate a decline of thirteen per cent, and other non-metallics have fallen off about twenty per cent. The production of Ontario, for the same period, shows an increase in both metallics and non-metallics of about five per cent. The ability of the community dependent on the mines, as in Ontario, to purchase, as usual, the products of other industries is of very great assistance at the present time.

The occurrence of lignite, or brown coal, in the basin of Moose River, was known to the officers of the Hudson's Bay Company for many years before its presence was first noted in the reports of the Geological Survey of Canada over fifty years ago. During the last few years, the Department of Mines of the Province of Ontario has conducted explorations in this region, resulting in the location of deposits of large extent. The quality of the lignite, the method and cost of mining, the preparation of the product for the market, and the adaptation to the needs of the local market have all to be determined. The Provincial Government is to be commended for the energy displayed in this attempt to make a contribution toward the solution of the fuel problem of Central Canada.

The gradual development of smelting and refining plants for the treatment of Canadian ores is worthy of favorable comment. In the early stages of mining in this country, most of the ores were sent abroad for treatment. The Consolidated Mining and Smelting Company led the way in the production of refined lead and silver, and later became large manufacturers of pure zinc and cadmium. The International Nickel Company added nickel to the list, while the refiners of the ores from Cobalt supply metallic bismuth and refined products of arsenic and cobalt. During the present year, the operators of the new refinery near Sudbury have begun the shipment of pure electrolytic copper. We are rapidly nearing the time when Canada will be able to refine at a profit most of her mineral products, and thus provide employment for ever increasing numbers of workers.

Maritimes Prosperous.

As judged by the economic position in other Canadian Provinces, the situation in the Maritimes can probably be best described by the phrase "definite and fairly general improvement."

The exodus of population from the Maritimes has been materially checked with the revival of prosperity and it is the unanimous opinion of all firms doing any considerable volume of business in the Maritimes that they are relatively the most prosperous sections of Canada. The aggressive attitude toward the solution of industrial problems, the encouragement of tourist traffic, the marked increase in the building programs in the cities and towns and the re-establishment of manufacturing industries for the treatment of natural products are now general enough to be described as a definite and healthful trend.

The situation in Nova Scotia is particularly encouraging. The apple crop in 1930 is much in excess of that of 1929, and the policy of more careful grading, now being instituted, will doubtless affect the prices to be derived for this commodity. The experiment in the shipment of Nova Scotia coal to Central Canada is not, to date, very successful. The marketing of frozen Atlantic fish in Central Canada has not yet become an established business, and must await further experimentation in the marine laboratories.

In New Brunswick, the lumber industry is practically at a standstill in the Northern half of the Province. Wholesale and retail trade have been fairly vigorous and collections have been good in the agricultural and industrial areas to the South.

In Prince Edward Island, crops have been bountiful but, in common with other commodities, the staple crop, potatoes, is bringing a low price. There is practically no unemployment on the Island.

It is greatly to the advantage of Canada, in a time of depression, to have a varied industrial life. A generation ago, when we were largely an agricultural people, such difficulty, as is now experienced in marketing farm products, would have been far more embarrassing than is the case today. The pulp and paper industry, largely a development of the present century, in 1929 had become the largest manufacturing industry in Canada, with a product valued at 129 million dollars, after deducting the value of the raw materials used. This increased value, due to processing in the country, must lend great support to all other branches of industry.

Turn for the Better Not Far Off.

Conditions are not so bad as some think. There is a tendency to talk and think in terms of depression and unemployment. The psychological effect of this overemphasis is depressing. While nobody can fortell the duration of the present conditions, adjustments have been made by every Canadian industry, so that manufacturers are alert and ready to take prompt advantage of opportunities as they arise.

The trade records for 1930 compare favorably with those for 1925 and with other years which were regarded as fairly satisfactory. The present depression seems more serious because we naturally compare 1930 with 1928 and the early part of 1929, which were times of unusual prosperity. It is the common opinion, and one with which I am in agreement, that the bottom has been reached and a turn for the better should not be far off, though improvement is sure to be gradual. With wonderful material resources and a varied industrial life, the future of our Country is assured.

Mr. A. E. Phipps,

General Manager

I wish, in the first instance, to associate myself, on my own behalf as well as on behalf of my colleagues on the Executive, in all that has been said with reference to the passing of our late beloved President. When we met here a year ago I am sure that none of us even thought of the imminence of a change in the Presidency of the Bank. We had all come to regard Mr. Howland as being the personification of the Bank, the foundations of which were laid by his father and the superstructure of which he built so securely and so well. Like his father before him, he was an integral part of the Bank. He loved it and he lived for it, and those of us who were most closely associated with him know how invaluable were his judgment, experience and capacity for many years. Never has a Bank been served more loyally than this Bank was by Mr. Howland, and never have I had a better and truer friend.

The choice of a successor fell upon Mr. Rolph, who has just spoken to you. We all would have been delighted had Sir James Woods decided to move up to the Presidency, which, Mr. Rolph has told you, was the unanimous wish of the Board. He has also told you Sir James' very compelling reasons for his decision. Mr. Rolph was unanimously elected. The Bank was fortunate at the time, in as much as every member of the old Board had by experience and close application to the Bank's business so qualified himself. Accordingly there was no lack of material—the only difficulty was one of choice. I would like to take this opportunity of congratulating the shareholders on their new President, and assuring Mr. Rolph of my loyalty and of the satisfaction I have in serving under such a capable leader.

Profit and Loss Highly Satisfactory.

I will now proceed to what is my principal duty today, and that is to comment on the Profit and Loss Statement and the Balance Sheet which is in your hands. Last year I pointed out that the statements reflected the growth of the Bank under prosperous conditions. The statements before you today reflect the position after a year of depression and anxiety, and I am happy to say that, in my opinion, the figures which have been submitted to you constitute a better, if not bigger, position than last year. The profits, which are shown at $1,424,081.03, are approximately $140,000 less, but are relatively very little less than that year which reported the largest profits for any year in the history of the Bank. The percentage of profits to total assets is, roughly, 1 per cent, the same percentage as last year. We have been able to take care of our bad and doubtful debts, which fortunately were not very large; to write $300,000 off Bank Premises Account, provide for the usual dividend, bonus and other charges, and carry forward some $22,000 more, bringing the balance at credit of Profit and Loss Account up to the substantial sum of $740,545.03. It is only fair to say that the profits during the earlier months of the year were larger than during the months which have just closed, and unless conditions change we may expect a somewhat smaller return next year. The management considers this year's results highly satisfactory, and I hope that you will agree with the management in this respect.

The Balance Sheet.

Proceeding to the balance sheet. The total assets are $148,170,463, and in round figures are six and a half million dollars less than they were at 31st October, 1929. We have not figures of all the chartered banks as of October 31st, but the statement of Sept. 30, 1930, showed that the total assets of all the chartered banks in Canada had decreased during the year ended Sept. 30, 1930, approximately 10 per cent. The shrinkage in the assets of the Imperial Bank of Canada, as given above, works out at about 4 per cent, which, I think, we may accept as an indication that your Bank has held its own in volume of business transacted throughout the year.

Comparison of Liabilities.

Notes in circulation, $8,592,325, compare with $10,117,078 on 31st October, 1929, a falling off of 15 per cent. On 30th September, according to the Government return, the circulation of all the banks showed a shrinkage of 16.83 per cent. This falling off is, of course, the reflection of less active business and the much lower prices received for commodities, particularly for grain.

In the case of deposits, the comparison is more difficult, as the monthly returns compare deposits payable on demand and deposits after notice, whereas the annual statement divides these items as deposits not bearing interest and deposits bearing interest. On 30th September the total deposits in Canada of all banks showed a falling off from Sept. 30th, 1929, to Sept. 30th, 1930, of 6.5 per cent. Our own deposits show a falling off from 31st October, 1929, to 31st October, 1930, equal to 6.6 per cent. Our deposits not bearing interest have fallen from $26,578,000 to $20,970,000, or approximately six million dollars. On October 31st, 1929, although the first market crash had taken place, the business of the stock markets was booming, and we had on deposit large sums (almost sufficient to account for the decrease referred to) by brokers and those connected with stock exchange business which, as might be expected, have since been dissipated. Our deposits bearing interest show a decrease of $2,700,000, which, considering the conditions through which we are now passing, may be considered a very satisfactory state of affairs. The total deposits this year, 1930, are $114,300,000, compared with $122,900,000 last year, and with $118,000,000 two years ago.

Foreign Deposits Increase.

The only other change of importance in the liabilities is the increase in the amount due to Banks elsewhere than in Canada and the United Kingdom, which has increased from $1,213,000 to $4,242,000. This is largely due to our successful efforts to add to the number of our American bank depositors, who have increased considerably in numbers, and to the fact that our older foreign correspondents are keeping larger balances with us, due no doubt to the fact that interest rates in Canada are at present ruling higher than they are in the United States. Letters of Credit have fallen from $1,761,000 to $872,000, an indication of slowing up in the import business of the country.

Assets Show Great Liquidity and Strength.

When we turn to the assets some remarkable changes are to be noticed, the position showing greater liquidity and strength. Even if the earning power indicated has been somewhat lessened, we have no apologies, as we believe under present-day conditions security is more to be sought than large profits.

Cash Holdings Up.

Our Cash holdings amount to $11,604,000, compared with $9,456,000 a year ago, and our total first-line assets, which include our cash, the Deposit in Central Gold Reserves, Notes and Cheques on other Banks, Balances due by other Banks in Canada and Abroad, make the total immediately available money $26,740,000, or in excess of 20.37% of our liabilities to the public (excluding Letters of Credit outstanding covered by contra), compared with 19% last year. When we add our other readily realizable liquid assets, such as Government securities, Municipal securities, other bonds and stocks, loans to cities and municipalities, Call Loans in Canada and the United States, we get the total of $73,519,850.55, compared with $65,916,721.17 a year ago, equalling 56% of our liabilities to the public, compared with 48.17% last year.

Loans and Discounts Reduced.

The current loans and discounts of the Bank show a marked falling off from $80,034,000 to $66,846,000, or 13¼ million dollars. More than half of this amount is due to the liquidation of grain loans, which last year, you will remember I told you, were abnormally high owing to unusual loans against unexported high-priced wheat, and the remainder can be largely attributed to the decrease in loans to investors and, if I may use the word, speculators, in the stock market. We have not lost commercial business, but our current loans have returned to normal; for instance, on 31st October, 1928, they amounted to $67,356,000, or practically the same figure at which they stand today.

Bank Premises

The only other account in connection with which comment is necessary is Bank Premises account, which stands at $5,989,000, compared with $5,937,000 last year, which means briefly that the extensions to our premises during the year which have been referred to, and which I shall refer to again, have all been taken care of out of the amounts written off. We have a substantial potential reserve in our Bank Premises.

The slow assets of the Bank, such as Real Estate, Mortgages and "Other Assets," all show a moderate reduction during the year, and stand at what we consider extremely low figures, amply covered by the value of the assets represented.

The Staff.

I would like to testify to the loyalty and devotion and hard work of the staff, which have rendered such satisfactory profits and balance sheet possible. In spite of an increase in Branches there is actually one less member on the staff, the number being 1,493, a clear indication that everybody is pulling his or her share of the load.

Shareholders Number 2,520.

The total number of shareholders shows a slight decrease. In 1929 the shareholders numbered 2,558; in 1930, 2,520, a decrease of 38 for the year. It is noteworthy that during the year the number of shareholders resident in the United States of America decreased from 433 to 375, that is 58 shareholders. The number of shares held in the Republic decreased from 10,739 to 9,426, so that we have more Canadian shareholders and more of our shares held in Canada today than we had a year ago.

New Branches.

In all eight Branches were established during the year in places where we expect that satisfactory business can be obtained, and all of them are so far coming up to our expectations. Four of the new Branches are located in Toronto. No Branches were closed during the year, and the total in operation is now 210.

Bank Premises.

During the year we have completed a new and handsome building at University Avenue and Dundas Street, in the City of Toronto, and we have completed or placed under construction new offices at Victoria Avenue, Niagara Falls, and at Caledonia, Ontario; at Field and Invermore, in British Columbia, and at Sylvan Lake, in Alberta, and several smaller offices in the City and suburbs of Toronto. The premises at all points are being kept in a high state of appearance and efficiency.

Depression at Bottom.

The President and Vice-President have spoken at some length on present day conditions. I agree with and concur in everything they have said and will not detain you with summaries and forecasts which, after all, are not likely to be any more accurate than the views of other people, but I would like to point out that after 39 years in the Bank experience has taught me periods of depression have invariably been followed by accelerated business just when we begin to think improvement is never coming, and it seems to me from conclusions based on this experience that the present depression in Canada has pretty well reached the bottom. The speculative position of the country has been, if not entirely, at least to a very great extent, liquidated; the public appetite for speculation, if not satiated, has been dulled.

Demand for Goods Improved.

Manufacturers and distributors of goods report some improvement during the last month or two, and while unemployment is still a problem earnest efforts are being made to solve it with encouraging results. I look forward confidently to an improvement in a number of lines of business in the not distant future, I hope by next spring. We are still faced with the unfortunate condition of the grain market and of some of the farmers and business men in Western or Central Western Canada.

Wheat Situation.

The crop harvested was somewhat greater in quantity and much better in quality than the crop of 1929, but unsatisfactory price and marketing conditions have arisen to dedevil the situation. I do not believe that the policy of orderly marketing should be regarded as a failure, but certainly the holding of wheat off the market, coupled with an abnormal burst of speculation by grain operators last year, has brought about a situation which nobody ever contemplated, and there is no doubt that the dumping of wheat and other produce by Russia has had an additional adverse effect on the market for Canadian grain and other products in the United Kingdom. The distinctly hopeful features I see in this situation are as follows: Last year the dealers and elevator companies, almost to a unit, not only held their purchases of farmers' grain off the market, but went into the exchanges and bought for future delivery millions of bushels. Speculators, including farmers themselves, did likewise, believing higher prices certain to be available later on. This added to the unliquidated 1929 crop substantial quantities of futures, all of which it was hoped would be disposed of before the 1930 crop came to market, but owing to the world's supply being under-estimated and the world's requirements being over-estimated it was found impossible to liquidate this huge volume of grain and futures at anything like the prices hoped for. This year we have an entirely different picture. The stocks on hand are little, if any, larger than they were a year ago. The independent dealers and elevator companies have reversed their policies and have hedged, i.e., sold for future delivery every bushel of this year's crop purchased from the farmers, and the speculative purchase of long options or futures by the ordinary speculator or farmer is curtailed, so as to be no longer an important feature in the situation. It follows that this year there is not anything like the quantities of actual grain and future contracts to be absorbed before the next harvest, and I think that when this comes to be realized abroad it cannot but have a stimulating effect on our export sales, which even as I speak are showing some improvement.

Western Canada Conditions.

Naturally, collections in Western Canada are poorer than they have been for years, and the purchasing power of that section of Canada has been greatly diminished. I, however, share with Mr. Rolph the opinion that our Western farmer is a hardy and resourceful man, and, given time and reasonable help, will satisfactorily solve his numerous problems. The position of our Western farmers who engaged in mixed farming, which first of all brings their living from the farm in the form of dairying, poultry, raising of hogs and vegetables and what not, and who look to their grain growing as more or less of a cash crop to provide for their other necessities, is generally satisfactory. The present unsatisfactory prices and difficult marketing of grain are certain to induce our farming population to engage more and more in diversified farming, and in that direction lies the hope of the Western farmer to a very great extent.

You will gather from the above that I am not pessimistic about the present situation, difficult as it appears at the moment, but I firmly believe if I meet you again at this time next year that when I do there will be much better conditions in evidence and the outlook for the then future will be very much brighter.

The following shareholders were elected Directors: Frank A. Rolph, Sir James Woods, Lieut.-Col. J. F. Michie, R. S. Waldie, George C. Heintzman, J. W. Hobbs, Walter C. Laidlaw, John A. Northway, A. E. Phipps, Henry E. Sellers (Winnipeg), Gordon H. Aikins, K.C. (Winnipeg). At a subsequent meeting of the Directors, Mr. Frank A. Rolph was re-elected President, and Sir James Woods, Vice-President.

Your Investments

Imperial Oil; B.A. Oil

I hold shares of Imperial Oil at about $25 and B. A. Oil at $21. What is your opinion of the safety of these stocks in face of the situation in the oil industry.

The oil industry has operated under the threat of over-production of crude for two years. So far proration and curtailment activities have prevented price demoralization. It may be prevented for good, but in your case we would be inclined as a safety measure to reduce commitments to the point that could easily be protected.

F. N. Burt; Ford

What is the position of F. N. Burt Co. as regards future dividend payments? Would you recommend F. N. Burt and Ford of Canada as suitable investments for a five-year hold?

The Financial Post is given to understand that the $3 dividend on F. N. Burt Co. common stocks is being earned and at the present, regular payment is likely to continue. It is even possible that the extra 50 cents paid last year will be repeated. This stock would be a good hold for a five-year period and so would Ford of Canada "A" shares, which you mention.

Dominion Tar

Among my holdings are some preferred and common shares of Dominion Tar & Chemical Co. How is the company getting on? Do you think I would do well to sell my shares or are they worth holding?

We think you might retain your preferred and common shares in Dominion Tar & Chemical Co. This organization has made good progress since its inception and occupies a strong position in the industry it serves. It has expanded its activities materially in the past two years, while earnings have been satisfactory.

By acquisition of stock of subsidiaries it has consolidated its position and further progress in the future may be expected.

Corporate Trust Shares

Salesmen have been working this district in an effort to dispose of units in Corporate Trust shares and I would be much obliged if you would kindly advise me the stability of the trust and whether you would consider same a safe investment. Investors might think that the Chase National Bank is sponsoring the issue, but this does not appear to be the case, the Chase National Bank being merely the trustee. Any information you can furnish me with will be greatly appreciated.

What is your opinion off Silverwood's stock, both preferred and common, and the present market value.

Corporate Trust shares is a fixed investment trust. The stocks named as placed behind the shares are good, but we do not express opinions with regard to American securities.

You are right in supposing that the Chase National Bank is merely the trustee of Corporate Trust Shares and not the sponsor.

Silverwood's preferred and common stocks are not listed. The company is still a seller of stock, and, therefore, those who are seeking a market should seek it through the company. That is the best way to determine the market value. On the basis of stock sales the company has expanded rapidly across Ontario and its statements indicate dividends earned with a good margin. The company has an aggressive management and apparently is doing quite well. Its balance sheet, as revealed by an uncertified statement, shows a position which is fairly strong when allowance is made for the rapid expansion which it has had.

SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

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Investment Companies Real Service to Public Though Not Foolproof

Analysis Shows Canadian Organizations Came Through Crash Better Than Similar Organizations in United States

POSITION IS NOT ALWAYS SHOWN

Fairly Sound Management Evident When Not One Trust Wiped Out by Disaster in Stocks Which Eliminated So Many Individuals, Though Managers Not Gifted With Infallibility in Purchasing Securities

By NORMAN R. UNSWORTH

From the crest of wild public acclaim last autumn to something almost akin to revulsion at the present time—such has been the experience of the new investment fondling of the American continent, the investment trust.

Stimlated by the theory that an investment media had at last been discovered that would assure safety of principal, large income returns, practical immunity to bear markets on account of superior management, etc., an insatiable demand was created for investment trust equities.

Fabulous Prices Paid

Fabulous prices were paid for shares, the outstanding issues even selling as high as three times their liquidating value, an unusually high premium to pay for management, no matter how capable. Instead of realizing that any management is human after all and subject to mistakes in judgment, investment trust literature abounded in such rash statements as the following made by an American investment trust manager:

"A well-managed investment trust always makes money regardless of whether stocks go up or down. The experts, that guide these companies, know where to buy, what to buy, when to buy, how much to buy, how long to hold and when to sell—for profit."

Truly, a management that was capable of performing all these feats of mental gymnastics, especially during the market of the past year, would indeed be supermen!

Did Not Foresee Crash

A year has hardly passed since this avid absorption of investment trust securities took place and what a startling change has since been witnessed! The fact that investment trust managers had almost without exception failed to anticipate the crash of last fall, and even subsequent declines, suffering severe losses as a result, was a rude awakening to investors who had come to believe that the superior management offered by investment trusts and greater safety through diversification would almost eliminate losses.

The disappointment has been reflected by a devastating depreciation in value considerably below liquidating value and in the case of 13 listed American companies, the recession has now extended to 81 per cent of the highs of 1929.

Less Exploitation

As the Canadian investment trust issues did not experience such comparative over-exploitation as the American trusts prior to last fall, the decline from the peak of last year is more moderate in character, amounting to only 33 per cent for seven companies whose market prices were noted. Thus the pendulum of public psychology has swung from one extreme to the other.

Several questions naturally arise from the present position of the investment trust securities. Is the investment trust principle a sound one? How have the Canadian investment trusts fared during the past year of declining prices and how does this experience compare with that of the average investor? Is the time now propitious for the purchase of investment trust securities? If so, which are the best companies and what factors are important in analyzing a security of this nature?

Principle is Sound

The adverse occurrences of the past year should not be accepted as a final criterion of the possibilities of investment trusts as it was unfortunate that this supreme test should be encountered by the majority of Canadian companies so soon after incorporation with very little opportunity to build up reserves and surplus to meet such a contingency. But whatever disappointment has been publicly engendered by the errors in judgment revealed by investment trust managements during this unprecedented period in stock-market history, the fact remains that the underlying and fundamental investment principles which they expound are essentially sound and will continue to survive.

That the investment trust principle is sound has been vindicated by the astonishing success of the British companies. These, in many instances, have prospered for 50 to 70 years—have weathered periods of prolonged depression, passed through war and financial panics practically unperturbed — obviously the British investment trusts are fundamentally and structurally sound organizations.

Purpose is Simple

The purpose of the investment trust is the successful investment of capital. This is accomplished by the distribution of capital into high-grade investment issues so that the aggregate nets a fair return on the trusts' total funds.

Such trusts are placed under the operation of a skilled management whose duties consist of intelligently and prudently diversifying the securities of the portfolio not only as to industry and country but also as to class. What is more important, after these experts make these investments they give them careful supervision, watching them constantly and making changes, substitutions and additions as necessary. The management makes a continuous study of fundamentals—world economic, commercial and political conditions, commodity values, foreign exchange rates, industrial trends, special industries, distinctive corporations and market situations, searching out and taking advantage of the best current opportunities for profit. The minimizing of risk and greater stability of earnings assured through diversification and made more powerful by a discriminating management who practices constant vigilance over these securities—this is the crux of the investment trust theory.

Need Geographical Spread

The investor requires little enlightenment as to the soundness of the theory of diversification. It is only necessary to recall the market history of such laggards as the sugar, woollen, leather and coal in-

(Continued on page 19)

TABLE I.
CLASSIFICATION OF INVESTMENTS

Name of Trust.	Date of Analysis	Bonds & Debs.	Preferred Stocks	Common Stocks	Cash & Call Loans	Can.	U.S.	Foreign
Canadian Gen. Inv. Trust	Jan. 31/30	27.00%	19.90%	45.90%	7.20%	....	....	....
Can. International Inv.	Aug. 31/30	33.50	14.20	40.70	11.60	....	....	....
Can. Investors Corp.	Jan. 31/30	6.27	16.98	58.85	17.90	37.84	58.75	3.41
Dom. Scottish Inv.	May 31/30	18.67	18.72	57.85	4.76	42.39	47.29	11.32
Economic Inv. Trust	Mar. 31/30	21.08	42.02	36.90	....	55.09	34.66	10.25
Founders Inv. Trust	Jan. 31/30	35.14	10.83	48.46	5.57	....	....	....
Great Br. & Canada	Mar. 31/30	12.83	23.03	56.14	7.96	37.65	40.44	21.91
Invest. Bond & Share	Dec. 31/29	35.30	29.67	29.22	5.81	....	....	....
London, Can. Inv. Corp.	Dec. 31/29	21.74	15.63	58.94	3.69	....	....	....
Average—9 companies		23.50%	21.22%	48.11%	7.17%	....	....	....
Average—4 companies		....	....	....	....	43.24%	45.09%	11.67

TABLE II.
RELATIVE POSITION OF MARKETABLE INVESTMENT TRUSTS

Name of Trust	Present Price	Book or Liquidating Value	Date of Analysis	Highest Market Quotation	Divid. Rate	Yield
British & Foreign Invest.	$20	$15.49	Apr. 30/30	20	1	5.00%
(2nd) Can. Gen. Inv Trust	12	20.07	Dec. 31/29	25	none	none
Canadian Foreign Invest.	9	7.90	Dec. 31/29	48	none	none
(1st) Can. Gen. Inv. Trust	75	94.65	Jan. 31/30	14.08	3	4.00%
Canadian International Inv.	6	4.64	Aug. 31/30	10	none	none
Canadian Investors Corp.	20	23.47	Jan. 31/30	26½	1	5.00%
Economic Investment Trust	43	52.80	Mar. 31/30	68½	2½	5.81%
Foreign Power Securities	18	23.30	Oct. 31/29	43½	1	5.55%
Hydro-Electric Securities	28	63.14	Dec. 31/29	38	2	7.15%
Investment Foundation Units	50	63.12	Mar. 30/30	70	3	6.00%
Public Utility Investments	12	10.86	Dec. 31/29	18½	40 cents	3.33%
Average 11 companies	27	34.50		47	1.26	4.75%

TABLE III.
RELATIVE POSITION ACCORDING TO RECENT STATEMENTS

	Year of Incorporation	Date of Statement	% Earned on Total Assets From int. and divids.	From Sale of Securities	Total Earnings	Cash and Call Loans	Cost Value of Securities	Mkt. Value of Securities Includ. Res.
Allied Inv. Corp.	1927	Dec. 31/29	5.3%	1.1%	6.4%	154,619	3,109,136	‡
British & Foreign Inv.	1928	Apr. 30/30	....	...	8.1	14,808	1,171,683	‡
Canadian Gen. Inv. Trust	1926	Jan. 31/30	4.8	4.3	9.1	901,183	11,681,209	11,338,478
Can. Investors Corp.	1929	Jan. 31/30	5.1	4.2	9.3	488,670	2,181,945	2,088,498
Can. Power & Paper Inv.	1920	Dec. 31/29	5.1	4.2	9.3	191,957	6,506,982	‡
Consolidated Inv. Corp.	1929	Dec. 31/29	3.3	1.9	5.2	7,715,233	*19,263,265	16,401,330
Diversified Standard Sec.	1927	Nov. 30/29	..	...	6.5	53,160	1,429,723	†
Dominion-Scottish Inv.	1929	May 31/30	4.8	2.6	7.4	269,830	4,366,652	3,818,102
Economic Inv. Trust	1927	Mar. 31/30	6.7	5.1	11.8	138,594	3,051,560	‡
Foreign Power Sec. Corp.	1927	Oct. 31/29	4.0	3.2	7.2	2,374,469	11,385,949	‡
Founders Inv. Trust	1927	Jan. 31/30	5.0	3.2	8.2	21,859	367,421	329,395
Great Britain & Canada	1929	Mar. 31/30	5.4	6.2	11.6	988,190	10,762,182	10,649,104
Hydro-Electric Sec. Corp.	1926	Dec. 31/29	6.3	8.8	15.1	841,262	43,482,798	79,194,533
Investment Foundation	1929	Mar. 31/30	4.6	5.0	9.6	777,647	2,471,560	2,328,647
Investment Bond & Share	1927	Dec. 31/29	..	...	5.7	411,371	6,282,940	6,071,810
London-Can. Inv. Corp.	1928	Dec. 31/29	..	...	5.1	458,820	11,659,280	11,184,270
Public Utility Inv.	1927	Dec. 31/29	..	...	21.8	16,615	399,704	381,538
United Bond & Share	1927	Dec. 31/29	3.8	13.3	17.1	380,670	363,558	452,137
Average—18 companies			..	...	9.7	....	....	......
Average—13 companies			4.9%	4.9	...	....	....	......

*Company also has investments in underwritings of $6,025,587—No market value given.
†Not reported. ‡Stated to be in excess of cost value.

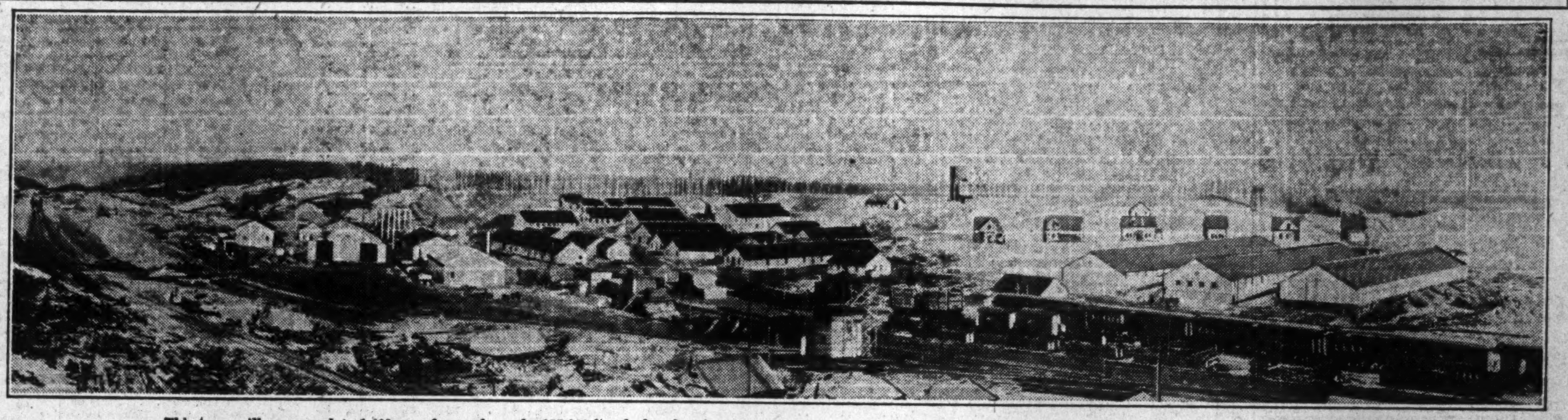
Invested Fund Comparison

TABLE IV

	Date of Statement	Total Capital Surplus & Reserves	Bank & other Loan	Funded Debt	Preferred Stock	Common Stock	No. of Common Shares	Surplus & Reserves
Allied Inv. Corp.	Dec. 31/29	3,296,998	None	2,500,000	500,000	250,000	50,000 n.p.v.	46,998
British and Foreign Inv.	Mar. 30/30	1,103,340	None	None	330,150	750,000	50,000 n.p.v.	23,190
Canadian General Inv.	Jan. 31/30	10,707,197	2,363,000	None	None	7,441,855	75,000 ($100)	902,342
Canadian International Inv.	Aug. 31/30	5,251,846	None	2,000,000	2,000,000	1,200,120	120,012 ($10)	51,726
Canadian Investors Corp.	Jan. 31/30	2,619,503	None	None	None	2,500,000	100,000 n.p.v.	119,503
Canadian Insurance Shares	Mar. 31/30	1,622,441	250,000	None	None	1,372,441	A49,207 n.p.v. B 100 n.p.v.	*
Canada Power & Paper	Dec. 31/29	6,620,871	151,714	2,500,000	2,500,000	950,000	100,000 n.p.v.	519,157
Consolidated Inv. Corp.	Dec. 31/29	32,663,147	None	15,000,000	10,000,000	7,000,000	1,375,000 n.p.v.	663,147
Diversified Standard Sec.	Nov. 30/29	1,748,702	100,000	None	1,000,000	544,003 25,000	A47,081 n.p.v. B50,000 n.p.v.	79,699
Dominion Scottish Inv.	May 31/30	4,630,322	None	None	3,000,000	1,500,000	60,000 ($25)	130,322
Economic Inv. Trust	Mar. 31/30	3,107,338	None	1,000,000	None	1,996,250	39,925 ($50)	111,088
Foreign Power Sec. Corp.	Oct. 31/29	13,223,435	None	5,000,000	5,000,000	2,660,000	125,000 n.p.v.	563,435
Founders Inv. Trust	Jan. 31/30	428,789	89,000	None	39,150	284,480	11,946 n.p.v.	16,159
Great Britain and Canada	Mar. 31/30	11,836,127	None	6,000,000	4,000,000	1,000,000	350,000 n.p.v.	836,127
Hydro-Electric Sec. Corp.	Dec. 31/29	46,382,837	None	None	20,000,000	20,319,285	1,394,886 n.p.v.	6,063,552
Investment Bond & Share	Dec. 31/29	6,688,658	None	4,000,000	1,750,000	230,000	140,000 n.p.v.	688,658
Investment Foundation	Mar. 31/30	3,230,863	None	None	2,000,000	1,050,000	70,000 n.p.v.	180,863
London Canadian Inv. Corp.	Dec. 31/29	12,163,296	None	6,000,000	4,000,000	1,000,000	350,000 n.p.v.	1,163,296
Public Utility Inv.	Dec. 31/29	409,348	79,100	None	None	228,000 30,000	22,000 n.p.v. 6,000 n.p.v.	72,248
United Bond and Share	Dec. 31/29	770,103	None	None	588,450	75,032 2,800	A 7,447 n.p.v. B24,450 n.p.v.	103,821
Totals—20 Companies		168,505,156	3,032,814	44,000,000	56,707,750	52,429,066		12,335,326
Per cent of total capital		100%	1.87%	26.1%	33.7%	31.1%		7.3%

*Included in common stock.

Construction Camp at Abitibi Canyon Has Population of Over 1,000



This town will accommodate 1,400 men for work on the 275,000 h.p. hydro-electric power project of Ontario Power Service Corp. on the Abitibi river. On the right are the three large bunk houses which will each hold 350 men. In the rear are the temporary dwellings of officials. Included in the buildings to the left are the dining halls, recreation hall, storehouses, etc. An average of 50 carloads of building materials and supplies is brought in each week on the railway line shown in the foreground. In September, this townsite was still covered with growing timber.

Senior Issues Bulk Large in U. C. Investment Co.

It is stated that 47 per cent of the assets of the Upper Canada Investment Trust are in the form of cash and fixed-interest bearing securities, bonds, debentures and short-term trust certificates.

Upper Canada Investment Trust directors have declared the eighth consecutive dividend on the preferred stock.

Takes New Position

BERTRAM R. BROOKER
who has joined J. J. Gibbons Ltd., advertising agency, as chief of Markets and Research Department.

OCTOBER REPORT SHOWS BRAZILIAN EARNINGS DOWN

Revolution Resulted in Reducing Profit to 1929 Level

The October earnings statement of Brazilian Traction, Light & Power Co. discloses to some extent the effects on the company of the political turmoil of the period. Gross earnings from operation during the month amounted to $3,714,677 as compared with $4,289,258 in 1929, but operating expenses were reduced to $1,514,912 against $1,897,808 in the corresponding month of last year. Net earnings were $2,199,765, a decrease of $191,685 from the figure of October, 1929.

The company's revenue is in milreis and the usual procedure is to convert the milreis total into dollars on the average monthly rate of exchange. During October, however, the unsettled conditions of the country made regular remittances impossible and the average September rate was therefore used in expressing operating results in dollars.

Profit at 1929 Level

The aggregate gross earnings of the company for the first ten months of 1930 were $39,781,024 as compared with $41,221,054 in the same period of 1929, while net earnings amounted to $23,368,288 as against $23,461,019. For the first nine months of the year there was an increase in net earnings of 4.69 per cent and this has been changed to a decrease of 0.4 per cent.

During the year the gross earnings of the company have shown a slight falling off which amounted to 2.34 per cent at the end of September. This decrease has been more than made up through increased operating efficiency which brought a saving in operating costs of over 6 per cent at the end of September. This condition will probably continue, once normal conditions are brought about in Brazil.

For the current year, ending December 31, it would appear that the 1929 net earnings will be practically equalled.

CANADIAN AIRWAYS BID FOR BUSINESS BY RATE REDUCTION

New Passenger Schedule Indicates Rate of 5 Cents a Mile

From Our Own Correspondent

MONTREAL.—Canadian Airways, Ltd., has announced a new passenger rate schedule on its eastern lines, which indicates that passengers will be carried for slightly more than 5 cents a mile on all routes out of Montreal. Canadian Airways recently came into existence as a merger of Aviation Corp. of Canada and Western Canada Airways. Both the Canadian Pacific and Canadian National Railways are interested in the project.

According to officials of the company, the new rates are lower than those prevailing in the United States, where the average on all routes is estimated at 10½ cents a mile. The lowest rates in the United States are quoted by the Stout Air Lines at 7½ cents a mile.

Regular Mail Planes

Rates of Canadian Airways, however, only constitute accommodation in regular mail planes. It is pointed out that it is impossible to operate two or more machines at such low rates without the ordinary air mail subvention. It is expected that the lower fare may stimulate air travel in Canada resulting in the addition of larger machines that may be able to absorb the normal overhead charges.

The schedule of rates is based on ruling railway rates, plus the normal Pullman charge and a surcharge of 20 per cent. The following rates from Montreal are now quoted: Kingston, $10 for a single trip and $18, return; to Toronto, $17.50, single, and $32.30, return; to Hamilton, $19.60, single, and $36.05, return; to London, $23.75, single, and $43.80, return; to Windsor, $29.10, single, and $53.45, return; to Quebec, $7.90, single, and $14.45, return; to Saint John, $25.85, single, and $43.85 return; to Moncton, $31.85, single, and $56, return.

No Lighting in London

Although London figures in the rate schedule, no eastbound planes will be able to stop there as municipal authorities have not provided lighting for the airport. There will be no service between Montreal and the Maritimes until December 15 when it is expected that lakes will have frozen sufficiently to enable planes to effect ski landings in an emergency.

On all routes in Eastern lines, equipment will consist of cabin monoplanes with accommodation for 6 passengers and their baggage, of which 30 pounds will be carried free. A charge of 50 cents a pound will be made for excess.

In the nine months ended October 31, Canadian Airways carried 2,274 passengers, 15,456 pounds of freight and 217,840 pounds of mail. These figures all show an increase over the 12 months figures for 1929 when 1,783 passengers were carried.

New Vice-President

GILBERT M. MURRAY
executive of J. J. Gibbons Ltd., advertising agency, and former secretary of the Canadian Manufacturers' Association,

Upward Trend in Stocks Not Immediate Likelihood

A definite upward trend in stock prices seems some distance off. But investors and traders who have been waiting opportunities to purchase sound issues may reasonably decide that the time is near when the better issues, which give good yields almost without exception, may be bought for the long pull. There is a more confident tone in the trading in Montreal and Toronto, as well as in New York, and it may be that, despite the lack of favorable business news, the average prices of stocks may be at or near their lows for this movement.

But none will be well advised to rush in and over-buy at this stage. The market, according to the best opinion available, will be a fluctuating one in the immediate future and there probably will be opportunities later on to pick up good stocks at gratifying levels.

Yet there are a number of sound Canadian issues in a good buying range and investors who have been waiting opportunities might advisedly place a part of their funds in the better issues, confident that dividends will continue and confident that, whatever may be the intermediate fluctuations, the better issues—the stocks of the leading Canadian companies—will be in the van when the market resumes an upward march.

CATELLI COMPANY DEFERS PAYMENT OF 'A' DIVIDENDS

General Business and Wheat Market Decline Responsible

From Our Own Correspondent

MONTREAL.—Dividends on the "A" shares of Catelli Macaroni Products Corp. have been suspended. A distribution of $2 annually has been made on the stock in payments of 50 cents quarterly. The payment due on December 1 will not be made.

General business conditions are held responsible while decline in the wheat market has been a factor in the situation surrounding the company. It is stated, however, that a good current position is maintained though earnings have fallen off.

In the 15 months ended November 30, 1929, net earnings totalled $301,638. After provision of $113,896 for depreciation there remained a sum equal to $3.13 a share on the "A" shares. In addition to the 60,000 shares of "A" stock issued there are 30,000 shares of class "B" stock outstanding on which no dividend has been paid to date. Both stocks are listed on the Montreal Curb Market.

Formed as Consolidation

Catelli Macaroni Products was formed in 1928 as a merger of several companies engaged in the production of different kinds of alimentary pastes. In all, 7 plants are owned, 5 of which are presently operating. These are situated at Winnipeg, Lethbridge, Montreal and Vancouver.

Working capital of the company at November 30, 1929, was $386,128 with a ratio between current assets and current liabilities of $4.06 to 1. At that date inventories were valued at $359,002. It is stated that these have been adjusted steadily throughout the year to correspond with prevailing commodity levels.

In connection with its decision to defer payment of dividends the following statement was issued by the company:

"General business conditions and rapid falling of the wheat market affected our earnings to a point where it would have been unwise to pay a dividend.

ONTARIO POWER-ABITIBI PROJECT IS ON SCHEDULE

1,052 Men Employed in Preparation For Spring Work

Construction work on the 275,000-h.p. hydro-electric development of Ontario Power Service Corp. at Abitibi Canyon, on the Abitibi river, is reported to be well up to schedule. Completion of the two tunnels through which the water of the river will be by-passed will be completed by the spring so that work on the coffer dam can be started soon after the ice is out.

An average of 1,000 men will be employed in the preliminary work throughout the winter, and the most recent progress report shows 1,052 men on the job during the week ended November 24. Actual work on the two tunnels is off to a good start with 55 feet driven on the east tunnel and 35 feet on the west. Work has also been started on the connecting tunnel.

Bridge is Under Way

Piers for a cantilever bridge across the river have been almost completed and when the bridge is in place the transfer of materials across the river will be facilitated. At the present time the only bridge is a walk swung on cables. Upon completion of the dam, the cantilever bridge will form part of the structure.

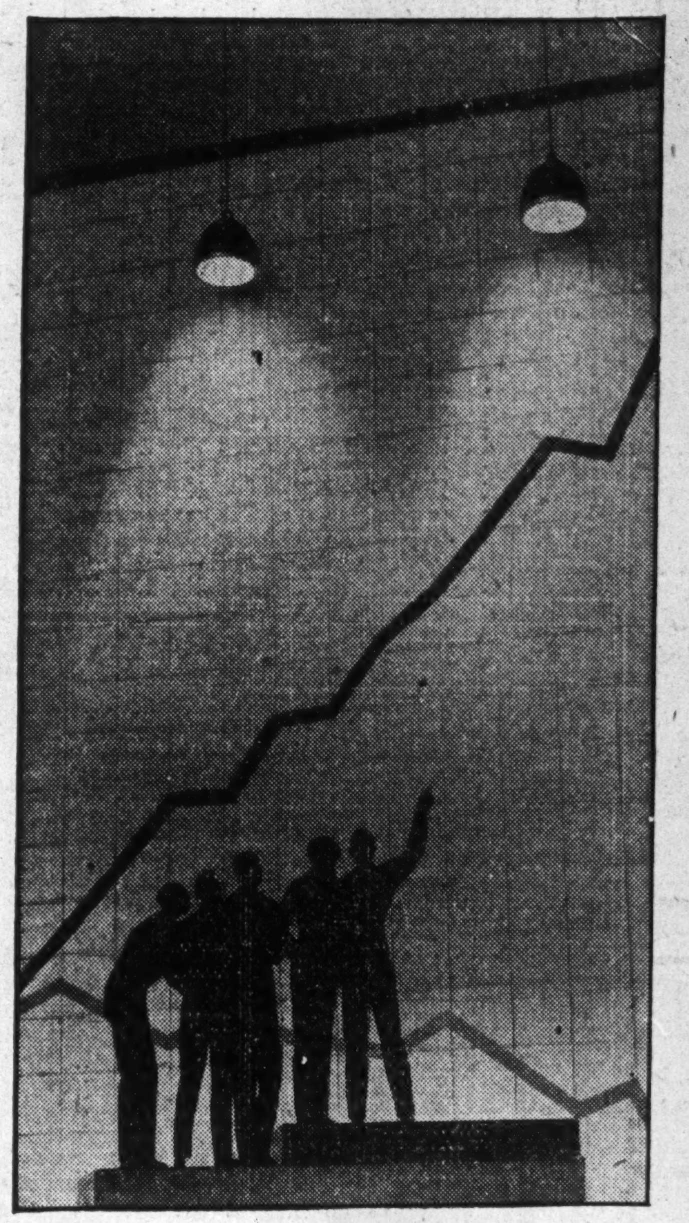
With so many men engaged on the job a small town has sprung into being and now work has started on a school. The third and last of the bunkhouses has been completed. Each of these gives sleeping accommodation to 350 men and is the latest type of camp construction. A third large dining hall has been started and also a reading room, while the recreation camp is completed and in use. A number of temporary cottages have been built or are in course of erection and eight permanent cottages have been finished.

That this town, which a few months ago was a piece of virgin timber land, contains many urban conveniences, is evidenced by the fact that the water supply is chlorinated, sewers have been laid and plans are now in progress to start a motion picture house to show "talkies."

An average of 50 freight cars of materials is received each week. In a recent week, 52 cars included 17 filled with provisions and hardware; nine of lumber, timber and ties, six of coal; 11 of contractor's machinery and single car loads of gasoline, rails, cement, steel and billiard tables.

Metal Prices

New York—
Copper: Electrolytic spot 11c lb.
London—
(Long tons)
Copper: Electrolytic spot, £52; future, £52 10s. Standard spot, £47 10s.; future £47 12s. 6d.
Tin: Spot, £115 2s. 6d.; future, £116 10s.
Lead: Spot, £16; future, £15 17s. 6d.
Zinc: Spot, £14 5s.; future, £14 7s. 6d.
Silver: 16½d. per ounce.



Even in periods of business depression

Certain Companies FORGE AHEAD

THE REPORT of a large New York bank on the net profits of 200 industrial corporations in North America for the first nine months of 1930 shows an average drop of 33.3%.

However, all corporations in the same line of business are not faring equally. All are not down.

Occasionally you hear of a company that is faring better than average—rarely of one that is said to be AHEAD. What are the facts?

In our own experience the facts may be interesting:

Of our clients manufacturing or distributing food products, a comparison with 1929 reveals that 85% are AHEAD, although the industry is reported 19.3% off.

In the baking field, although the industry as a whole is reported 14.3% off, our clients are *all* AHEAD.

Our clients in the drug field are *all* AHEAD, yet this field as a whole is reported 29.2% off. One client, in a highly competitive radio line, conservatively estimates its increase in sales to date as 50% AHEAD.

The current quarter performance of these companies continues to be impressively favorable.

Our figures reveal that of *all* our clients whose sales positions are reasonably dependent upon advertising:

75% are AHEAD of 1929 positions
87.5% are AHEAD of 1928 positions
—all without extraordinary appropriations.

J. WALTER THOMPSON Company Limited
MONTREAL *Advertising* TORONTO
LONDON • ALEXANDRIA • PORT ELIZABETH • BOMBAY • MELBOURNE • SYDNEY
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WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto & Curb Markets

WEEK ENDING NOVEMBER 24

Range 1930 High	Range 1930 Low	Divd. Rate $	Yield in % Nov. 22		Close Nov. 17 (or last)	Week Ending Nov. 24 High	Week Ending Nov. 24 Low	Week Ending Nov. 24 Close
42¼	8¼	.	...	Abitibi, c.	9	11⅝	9	11½
110	103	7	6.79	Do. pref.	103	..	..	..
87	36	6	14.62	Do. pref.	36	41	36	41
14	6	.	...	Agnew Surp., c.	8	8½	8½	8½
95½	87	7	8.04	Do. pref.	87	87	87	87
28	5	.	...	Alta. Pac. Gr.	7	7	7	7
91	45	.	...	Do. pref.	45	..	..	..
15	3¾	.	...	Amal. Elec.	5	5	4½	5
39	19	3	15.00	Do. pref.	20	20	19	19
3	2⅛	25c	...	Anglo-Nor. Hold.	2½	..	..	..
3¾	¼	.	...	Asbestos, c.	½	½	¼	¼
15	1	.	...	Do. pref.	1	2	1	2
18	9½	2	21.04	Assoc. Brew.	10	10	9½	9½
95	78	7	8.97	Do. pref.	78	78	78	78
18⅜	10	1.50	15.00	Assoc. Can.	11	10	10	10
87½	87½	6	6.85	Assoc. Tele.	87½	..	..	..
11½	4½	.	...	Atlan. Sugar	7	12⅝	7	11
57	40	.	...	Do. pref.	40	57	45	56
175	168	10	5.91	Bk. Can. Nat.	168	169¼	168¼	169
325	280	12+2	4.91	Bk. of Montreal	285	290	280	283
355	314	16	5.02	Bk. of N. Scotia	315	318	314	318
262	234	12+1	5.55	Bk. of Toronto	239	237	234	234
30	21	1.50	7.14	Barcelona Tr.	21	..	..	..
10½	5	.	...	Bathurst Pr.	5⅛	5⅛	5⅛	5⅛
4½	2¾	.	...	Do. (B)	3	3½	3¼	3¼
26	26	50c	...	Bawlf Grain	26	..	..	..
88	74¾	6.50	8.69	Do. pref.	74¾	..	..	..
22½	14	1.60	11.42	Beath & Sons	14	..	..	..
33	20	2	10.00	Beatty Bros.	20	20¼	20	20
92	75	6	7.50	Do. pref.	80	..	..	..
15½	7	.	...	Beauharnois	7½	8½	7¾	8½
130	105	7	6.36	Belding Cort.	110	..	..	..
110	98½	7	7.00	Do. pref.	100	..	..	..
101	81	7	8.64	Belgo C. P. pf.	81	..	..	..
159½	145	8	5.42	Bell Telephone	147	148½	147	147½
10½	1½	.	...	Biltmore Hats	1½	..	..	..
85	68	7	9.72	Do. pref.	72	..	..	..
22	14½	2	13.78	Bissell	14½	..	..	..
97	88	7	7.95	Do. pref.	88	..	..	..
19	10	2	20.00	Blue Ribbon Cp.	10½	10	10	10
38	30	3.25	10.83	Do. pref.	31	31	30	30
24	20	2	10.00	Brant. Cd. pf.	20	20⅛	20	20⅛
55¼	20¼	2+c	...	Brazilian	26	26¾	25¼	26
2	⅞	.	...	Brew. & Distil.	⅞	1⅛	1⅛	1⅛
23	13¾	80c	5.16	Brit. Amer. Oil.	15¼	16½	15	15⅛
13¼	2½	.	...	B.C. Packers	3	3	2½	3
58½	25	7	...	Do. pref.	25	..	..	..
45½	32	2	5.55	B.C. Power	36	36	35	36
26½	10½	.	...	Do. (B)	13½	13½	13	13⅜
3¾	1	.	...	B.E. Steel	2⅛	..	..	..
41	24	.	...	Do. 1st pref.	24	..	..	..
8	2¼	.	...	Do. 2nd pref.	2⅝	3⅛	2½	3
x20	20	25c	...	Brit. & For. Inv.	20	..	..	..
31½	10	2	19.76	Brompton	10⅛	..	..	..
26¾	3½	.	...	Bruck Silk Mills	7	8	7½	8
29¾	20	2	9.41	Building Prod.	21¼	21¼	20½	21¼
56	35½	3+50	8.69	Burt, F. N.	40	40¼	39½	40¼
198	150	6	4.00	Calgary Pr.	150	..	..	..
19½	7½	75c	10.00	Can. Bread	7½	7½	7½	7½
120	102	7	6.66	Do. pref. (A)	105	..	..	..
106	77	7	8.64	Do. pref. (B)	80	81	80	81
12	8	1	10.81	Canada Bud	9¾	9¼	9	9
19¼	12¾	.	...	Can. Cement	14¾	14¾	14	14
98	90	6.50	7.12	Do. pref.	91	91¼	90	91
b75⅜	34⅝	5	11.96	Canada Dry	40⅜	42¼	38¼	41¼
20	10	1.50	10.00	Can. Forg. (A)	15	15	10	15
16	5	.	...	Do. (B)	16	5	5	5
70	40	4½	...	Canada Iron	65	..	..	..
90	70	6	8.00	Do. pref.	75	..	..	..
6	6	.	...	Can. Machinery	6	..	..	..
30	30	.	...	Do. pref.	30	..	..	..
20⅝	12	1.50	11.53	Can. Malting	13	13	12¾	12¾
21	14	60c	3.33	Can. Nor. Pr.	18	..	..	..
107	99	7	6.66	Do. pref.	106½	105	105	105
20	2	.	...	Can. Paving	3	..	..	..
94	58	7	12.06	Do. pref.	58	..	..	..
230	210	12	5.63	Can. Perman.	212	213	210	212
19½	4	.	...	Can. Pr. & Pap.	6½	6½	6	6
20	14	.	...	C. Pr. & Pr. Inv.	14	..	..	..
19	7	.	...	Can. Steam	7	..	..	..
73¾	19	.	...	Do. pref.	20	20	19	19
26¼	18½	1.60	7.61	Can. Vinegar	20	21	19¼	21
82	65	4	6.15	Can. W. Cable	65	..	..	..
41	25	43¾c	...	Do. (B)	30	29	29	29
39	11	.	...	Can. Bakeries	11	..	..	..
99	72	7	9.72	Do. pref.	72	..	..	..
275	223	12+1	5.77	Can. Bk. of Com.	225	225½	223	225
11¾	5¾	1	14.28	Can. Brewing	7	7	6	6
57	33	2.50	7.24	Can. Bronze	34½	34½	34	34½
111	108	7	6.42	Do. pref.	108	109	109	109
22¼	14	1	7.14	Can. Canners	14	14	14	14
96	86	6	6.52	Do. 1st pref.	92	92¾	92	92
22½	14	1	7.14	Do. 2nd pref.	14¼	14¼	14	14¼
32	15	1.75	9.72	Can. Car & Fdy.	18	18	17	17¾
38	21½	1.75	7.07	Do. pref.	23¾	25	23¾	24¾
17	5	.	...	Can. Celanese	11	9¾	9¾	9¾
74	51	3½	...	Do. pref.	67	69½	67	69½
76½	64	5	7.81	Can. Convert.	64	..	..	..
50	45	.	...	Can. Cottons	50	..	..	..
83	60	6	10.00	Do. pref.	60	60	60	60
43	22	3	12.24	Can. Dredge	24¼	25	24	24¾
x260	162	7	...	Do. pref.	162	..	..	..
83½	80	6	7.50	Can. Fairb., pf.	80	..	..	..
20	9	.	...	Can. For. Inv.	9	..	..	..
90	74	8	10.81	Do. pref.	74	..	..	..
420	250	3	1.20	Can. Gen. Elec.	250	..	..	..
65½	58	3.50	5.88	Do. pref.	59½	60	59	59½
80	75	3	4.00	Can. Gen. Inv.	75	..	..	..
92½	79	6	7.50	Can. Hyd. E. pf.	79	80	79	80
12¼	2	.	...	Can. Ind. Alc.	3½	3½	3⅛	3½
11¼	1¾	.	...	Do. (B)	2½	2⅛	2	2⅛
8½	5	.	...	Can. Int. I. Tr.	6	..	..	..
82	69⅝	5	7.14	Do. pref.	76	70	69⅝	70
40½	31	.	...	Can. Lt. & Pr.	35½	..	..	..
25	25	.	...	Can. Locomo.	25	..	..	..
76	25	.	...	Do. pref.	33	..	..	..
b9⅛	2⅛	.	...	Can. Marconi	2⅝	3	2⅝	2⅝
34½	17½	1	5.26	Can. Oil	19	19	19	19
123	115¼	8	6.55	Do. pref.	122	..	..	..
58	40	2.50	5.68	Can. Pacific	44	44	42½	43
10	2½	.	...	Can. Vickers	3	3	3	3
65	25	.	...	Do. pref.	25	..	..	..
6¾	3	50c	11.11	Can. Wineries	4¼	4½	4½	4½
18	13	1.50	10.00	Can. Wire Box A	15	15	14¼	15
6⅝	1⅜	.	...	Carling Brew.	2½	2½	1⅞	2⅛
27	12	.	...	Catelli Mac. A.	19½	15	12	12
10	9	.	...	Do. (B)	10	..	..	..
330	290	12+3	5.16	Cent. Can. Loan	290	..	..	..
9.00	2.50	.	...	Chem. Research	3.05	3.50	2.60	3.31
69	46	2	3.33	City Dairy	57	60	58	60
155	120	7	5.38	Do. pref.	130	..	..	..
48	38	.	...	Claude Neon	39	..	..	..
89	86½	7	...	Do. pref.	88	..	..	..
25	11	1.50	13.04	Cockshutt	13	12½	11	11
6	2	.	...	Comm. Alco.	3	..	..	..
18	13	1	7.14	Conduits	14	..	..	..
107	104	7	6.54	Do. pref.	107	..	..	..
26	7½	1	8.42	Cons. Bakeries	9	11⅞	8½	9
4	¾	.	...	Cons. Food Prod.	2	2	1¾	1¾
10	3	.	...	Do. (A)	5	4½	3	4
34	26	2	7.14	Cons. Press	28	..	..	..
87	80	7	8.75	Cons. Sand, pf.	80	..	..	..
280	120	12.50	8.38	Cons. Smelters	153	150	140	149
193	175	10	5.39	Consumers Gas	184	188	184	186
35	30	.	...	Cooksville Co.	30	..	..	..
85	85	4	4.70	Do. pref.	85	..	..	..
21¾	15	.	...	Corporate Steel.	15	16	15½	16
90	90	.	...	Corr. P. Box, p.	90	..	..	..
1⅞	½	.	...	Cosgrave Br.	¾	½	½	½
21½	10	.	...	Cosmos Imp.	10	10½	10½	10½
97½	91¼	7	7.60	Do. pref.	92	92	91¼	92
11	4½	.	...	Crown Dom. Oil	6	5½	5½	5½
46	25	.	...	Crow's N. Coal.	25	..	..	..
1¼	¾	.	...	Cuban Sugar	1	..	..	..
3½	2	.	...	Do. pref.	2	..	..	..
4	¼	.	...	Curtiss-Reid	¼	..	..	..
8	5	.	...	Do. pref.	6½	..	..	..
11	5	.	...	David & Frere B	5	6	6	6
12½	8	80c	8.42	De Forest	9½	9¾	9½	9¾
16	12	25c	...	De Havilland	12	..	..	..
x90	87	7	...	Do. pref.	90	..	..	..
.50	.50	.	...	Detroit Rly.	.50	..	..	..
15	12	.	...	Disher Steel	12	..	..	..
18	17	1.50	8.82	Do. pref.	17	..	..	..
12¼	7⅞	1	9.52	Distill-Seagram	10	10¾	9⅝	10⅝
243	223	12+1	5.77	Dominion Bank	226	225	223	223
83	44½	3.60	6.44	Dom. Bridge	55¾	56	54¾	55½
70	50	.	...	Dom. Coal	55	..	..	..
82	49	4	7.27	Dom. Engineer.	55	55	54	54
14	10	.	...	Dom. Foundries	10	..	..	..
90¼	76	1.50	...	Do. pref.	90¼	..	..	..
141	98	7	6.79	Dom. Glass	102	103½	103	103
122	114	7	6.03	Do. pref.	115	116	116	116
36½	20	.	...	Dom. Iron, pf.	26	..	..	..
52	40	.	...	Dom. Park	40	..	..	..
19	8	.	...	Dom. Pr. Stubs	15	8	8	8
x100	95	7	...	Dom. Rub., pf.	96	..	..	..
52¼	30¾	.	...	Dom. Steel, pf.	30¾	..	..	..
14	4½	.	...	Dom. St. & C.B.	6	7	5	7
30¼	12½	1.20+4a	8.42	Dom. Stores	14¼	14⅞	12½	14¾
28	10		...	Dom. Tar & Ch.	11	11½	10½	10½
97	88¾	6.50	7.26	Do. pref.	89½	89½	89½	89½
87½	60½	5	6.25	Dom. Textile	80	80	79	79
120	115	7	5.83	Do. pref.	119	120	120	120
27⅛	11	.	...	Donnacona	14¼	14	13½	13½
19	5	.	...	Dryden Paper	6½	6⅝	5⅝	6
25	15	.	...	Duff. Paving	16	..	..	..
99	75	7	8.64	Do. pref.	80	82	75	75
10	3½	40c	9.41	Durant Motor	4	4½	4	4¼
29	17½	1	5.00	East. Dairies	20	20	20	20
35	26	2.50†	...	East Steel	26	..	..	..
100	97	7	7.14	Do. pref.	98	98	98	98
25	20	.	...	East Koot. Pr.	20	..	..	..
97	86	7	7.21	Do. pref.	97	..	..	..
34	28½	2	7.14	East Theatres	28½	..	..	..
85	80	7	8.59	Do. pref.	81½	..	..	..
10	3½	.	...	Easy Washer	3½	..	..	..
55	38	2.50	6.57	Economic Inv.	43	38	38	38
19	15	1	6.66	Edmonton D'ry	15	15	15	15
90	78	6.50	8.33	Do. pref.	78	..	..	..
31	6	1	14.28	Enamel & Heat.	7	7	7	7
43	34	3	8.57	Eng. Electric	35	..	..	..
28	15	.	...	Do. (B)	15	15	15	15
63¾	39	2	5.12	Fam. Players	39	..	..	..
61¾	37	2	4.25	Do. Vot. Trust	47	..	..	..
21½	10	1	9.09	Fanny Farmer	11	..	..	..
82¼	29	2.40	8.00	Do. pref.	29⅜	30	30	30
100	96½	7	7.25	Farmers' D'y, p.	96½	..	..	..
.25	.10	.	...	Federal Distil.	.25	..	..	..
83½	75	7	9.33	Firstbrook Box	75	..	..	..
38½	18¾	1.20+90c	9.33	Ford Mot. A.	21	22⅜	19½	21¾
37	14½	1	6.72	For. Pr. Secs.	14½	15	14⅞	14⅞
16½	9	1	11.11	Foundation Co.	9½	10	9	9
17½	2⅞	.	...	Fraser Cos.	4	3¾	3¾	3¾
15⅝	13	.	...	Frost Steel	13	..	..	..
98	93¼	7	7.21	Do. pref.	97	..	..	..
21¼	7	.	...	Gen. St. Wares	7½	7½	7¼	7¼
180	85	5+2.50	8.33	Goodyear Tire	87	90	87	90
109	102	7	6.78	Do. pref.	104	105	104	104
5	1	.	...	Gt. W. Saddlery	1	..	..	..
15	15	.	...	Do. pref.	15	..	..	..
41	24	2	8.16	Gurd, Chas.	24½	25	24½	25
110	108	7	6.48	Do. pref.	108	..	..	..
26	12½	1.50	11.11	Gypsum, Lime	13¼	13⅝	13¼	13⅜
38¾	15	2	11.59	Ham. Bridge	17	17¼	16¾	16¾
90	70	6.50	8.66	Do. pref.	71	75	75	75
25	16½	2	11.76	Ham. Cot., pf.	16½	..	..	..
11	4	.	...	Ham. Un. Theat.	4½	..	..	..
82	64	7	9.21	Do. pref.	75	..	..	..
31	8	.	...	Hayes Wheel	10	..	..	..
95	90	7	7.52	Do. pref.	93	..	..	..
50	50	.	...	Hillcrest Coll.	50	..	..	..
91	91	7	7.69	Do. pref.	91	..	..	..
17	4⅝	.	...	Hinde & Dauch.	5	5	5	5
120	120	3	2.50	Holt, Renfrew	120	..	..	..
96¼	90	7	7.77	Do. pref.	90	..	..	..
13	5	.	...	Honey Dew	5½	6	6	6
64	55	7	12.72	Do. pref.	55	..	..	..
25	20	2	9.19	Hmberstone Sh.	20½	..	..	..
28	17⅛	1+50	8.83	Hunt (A)	18	..	..	..
30	19	1+50	7.89	Do. (B)	19	..	..	..
157	150	8	5.33	Huron & Erie M.	150	..	..	..
31	29	.	...	20% paid	29	..	..	..
55	23¾	2	7.69	Hydro Electric	23¾	26	26	26
245	218	12+1	5.90	Imperial Bank	220	220	218	218
29¾	15⅞	50+50c	5.63	Imperial Oil	17¼	18	17	17⅝
10½	9	35+10	4.73	Imperial Tob.	9½	9½	9	9¼
53¾	23⅛	2	6.83	Int. Hyd. E., A.	27⅝	29¼	28¼	29¼
105	95	7	7.00	Inter. Mill., pf.	101	100	99¼	100
92	88	6	6.81	Do. Series A.	88	..	..	..
44½	16¼	1	5.40	Inter. Nickel	18½	18¾	17⅞	18½
17½	11	75c	6.25	Inter. Paints, A.	12	..	..	..
b31⅜	6¾	.	...	Inter. Pa. & Pr.	7¾	9	7	8¾
b22¾	5¼	.	...	Do. (B)	7	..	..	..
b18	4	.	...	Do. (C)	5	..	..	..
b86	39¼	7	...	Int. Pap., pf.	39¼	43	40	41
24	13⅛	1	6.66	Inter. Pete.	14¼	15	14	15
18	8	.	...	Inter. Power	8½	8½	8½	8½
92	70	7	10.00	Do. pref.	70	70	70	70
51	34	3.50	9.58	Int. Util. (A)	36½	37	36⅛	37
19½	6	.	...	Do. (B)	7	7¼	7	7¼
48	33	1	2.43	Jam. Pub. Ser.	41	..	..	..
110½	107	7	6.54	Do. pref.	108	107	107	107
11	3¾	.	...	Kelvinator	5	..	..	..
90	73	7	8.04	Do. pref.	87	..	..	..
40	40	.	...	King Ed. Hotel	40	..	..	..
47	25	3.20	11.42	Lake of Woods.	29	29	28	28
122	113	7	5.83	Do. pref.	120	..	..	..
15	6⅞	.	...	Lake Sup. Corp.	8½	10	8½	10
190	180	10	5.34	Landed Banking	187	..	..	..
48	30	3	7.69	Laura Secord	39½	40	39	39¾
27	12	1	8.33	Lindsay, C. W.	12	12	12	12
85	78	6.50	8.33	Do. pref.	78	..	..	..
15¾	10¼	80c	7.27	Loblaw (A)	11	11⅝	10¼	11¼
15¼	10	80c	8.00	Do. (B)	10¼	10¼	10	10¼
45	35	.	...	Loew's, Marcus	35	..	..	..
84	75	.	...	Do. pref.	75	..	..	..
2¾	2¾	.	...	Loew's, London	2¾	..	..	..
40	40	.	...	MacKin. Steel	40	..	..	..
96¼	90	7	7.77	Do. pref	90	..	..	..
36	20	2	10.00	Manitoba Pr.	20	..	..	..
15	8	.	...	Maple Leaf	15	8	8	8
106⅛	32	.	...	Do. pref.	41	40	35	40
45	12¼	.	...	Massey-Harris	16	15½	14½	14¾
28¾	14¼	60c	2.89	McColl. Fron.	21	21⅜	20⅛	20½
88	78	6	7.50	Do. pref.	80	..	..	..
80	60½	.	...	Mexican L. & P.	61¼	..	..	..
69¾	69¾	7	10.03	Do. pref.	69¾	..	..	..
25	25	.	...	Mercury Mills	25	..	..	..
89	68	6	8.82	Do. pref.	68	..	..	..
41	40	.	...	Mitchell, J. S.	40	..	..	..
104	104	7	6.73	Do. pref.	104	104	104	104
33	13½	1	7.14	Mitchell, Robt.	15	14½	14	14½
x20	20	.	...	Monarch Knit	20	..	..	..
65	54	7	12.96	Do. pref.	54	..	..	..
134	95	6	6.31	Montreal Cot.	95	95	95	95
117	90	7	7.00	Do. pref.	100	101	100	100
9	3	.	...	Montreal Ex.	3	..	..	..
39	25	.	...	Mont. Is. Pr.	35	25	25	25
77	52½	1.50	2.60	Mont. L. & Pr.	55	58	54¼	56⅛
50	48	3+25	6.77	Montreal Loan	48	..	..	..
55	45	3.20	6.46	Montreal Tele.	49⅞	49½	49½	49½
180	167	10	5.88	Mont. Trams.	170	170	170	170
28½	17	1	5.71	Moore Corp., c.	18	17½	17	17
126	108	7	6.30	Do. (A)	111	111	110	110
170	120	7	5.78	Do. (B)	121	..	..	..
10	10	.	...	Mt. Royal Hotel	10	..	..	..
49	49	.	...	Do. pref.	49	..	..	..
4	2	.	...	Muirheads	2½	2¼	2¼	2¼
8¾	8½	75c	8.82	Do. pref.	8½	..	..	..
36⅝	24½	1.60	6.21	Nat. Brew.	25¼	26	24¾	25½
32	24	1.75	6.03	Do. pref.	24	29	29	29
10	3	.	...	Nat. Brick	3	..	..	..
29½	12½	3	22.22	Do. pref.	13½	14	13½	14
5	1	.	...	Nat. Distilleries	1	..	..	..
110	100	8	7.27	Nat. Groc., pf.	108	110	110	110
76⅛	30	2	6.15	Nat. Steel Car.	33½	33	32	33
380	340	14	3.89	National Trust	360	360	360	360
21	17	1.50	8.82	Niag. W. Weav.	17	..	..	..
45	35	3	8.57	Do. pref.	35	..	..	..
90	89¾	.	...	Nor. Mex. Pr.	90	..	..	..
90	81½	7	8.43	Do. pref.	83	..	..	..
16.00	7.50	.	...	North Star Oil.	8.50	8.25	8.00	8.25
5.00	4.90	35c	7.07	Do. pref.	4.95	..	..	..
25	22¼	.	...	N.S. Steel, pf.	22¼	..	..	..
450	230	8+5	4.96	Ogilvie	270	262	260	262
131	124½	7	5.49	Do. pref.	127½	..	..	..
40	19	6	2.72	Ont. Eq. 10% p.	20½	22	22	22
130	118	6	5.08	Ontario Loan	118	..	..	..
22	10	.	...	Ont. Silknit	10	..	..	..
22	18	1.60	8.88	Ont. Steel	18	..	..	..
105	105	7	6.66	Do. pref.	105	..	..	..
3	¾	.	...	Orange Crush	¾	¾	¾	¾
66	45	7	12.72	Do. (A)	50	55	55	55
15	6	.	...	Do. (B)	6	6	6	6
101½	87	6	6.12	Ott. L. H. & Pr.	98	..	..	..
106	100	6.50	6.25	Do. pref.	104	..	..	..
34	30	.	...	Ott. Traction	30	..	..	..
105	75	5	5.95	Page Hersey	80¼	87	80	87
x264	250	7	...	Do. pref.	264	..	..	..
70	45	4	8.42	Paramount	45	47½	45½	47⅛
50	25	.	...	Paton Mfg.	25⅛	..	..	..
95	94	.	...	Do. pref.	94	..	..	..
3	½	.	...	Pelissiers	½	..	..	..
68¾	60	.	...	Do. pref.	60	..	..	..
77	52	.	7.40	Penmans	60	54	52	54
102	99¾	6	5.94	Do. pref.	101	..	..	..
2¼	.50	.	...	Perfection Glass	.55	..	..	..
28½	16	2	10.81	Photo Eng.	18½	18½	18	18½
91	77	7	8.75	Port Alfred, pf.	80	..	..	..
92	84	7	8.33	Porto Rico Ry, p	84	..	..	..
b103	50	7	...	Postal Tele.	..	..	..	..
90	50	2	3.70	Power Corp.	51	54½	51½	54½
105	93	6	5.94	Do. pref.	101½	101½	101	101
14	3	.	...	Prairie C. Oil	3	3	3	3
24	9½	50c	4.76	Pressed Metals	10	12½	10½	10½
84	42¾	2	4.59	Price Bros.	42¾	44	43½	43½
107¼	99	6.50	6.48	Do. pref.	101	101	100	101
16¼	12	90c	...	Pub. Util. Inv.	12½	..	..	..
70½	43	2.50	5.68	Quebec Power	44	44	43	43¾
112	100	7	6.36	Real Estate Ln.	110	..	..	..
6	2	.	...	Regent Knit.	3	..	..	..
20	3	.	...	Reliance Grain	6	4⅛	3	4⅛
25	10½	2	13.33	River. S. Mills.	11	15	15	15
26	15	1.50	8.82	Robinson Cone	17	..	..	..
315	280	12+2	4.98	Royal Bank	280	281	280	280½
96	82	7	7.82	Ruddy, E. L., p.	89½	..	..	..
96	79¾	5+1	7.48	Russell Motor	79¾	..	..	..
102	94	7	7.44	Do. pref.	94	..	..	..
24½	7	2	...	Sarnia Br. (A).	7	..	..	..
12	5	.	...	Do. (B)	7	..	..	..
54	31	2.60	7.97	Serv. Stn. Eq.	33	32⅞	32¼	32½
115	90	6	6.45	Do. pref.	92	93	91	92
82½	49	2.50	5.00	Shawinigan	49⅝	50¾	49¼	49½
89	27	1.80	6.66	Sher.-Wms.	27½	27	27	27
122	116	7	5.78	Do. pref.	121	121	121	121
44½	15	2.50	13.51	Simon & S.	18	19½	18	19½
102	93	7	7.52	Do. pref.	98¼	95	93	95
95½	89	6½	7.00	Simpson, Ltd.	95	93	92¾	92¾
55	45	2	4.44	Do. (A)	45	..	..	..
87½	30	.	...	Do. (B)	33	33¼	33	33¼
84	58	6	10.34	Do. pref.	104½	105	104	105
22	4	.	...	Smith Paper	4½	5¾	4¼	5½
84	85	6	10.34	Do. pref.	58	..	..	..
10	2½	.	...	St. Law. Corp.	4¼	4¼	4	4
27¾	7⅞	50c	...	Do. (A)	12	12	10½	10¾
38	16	.	...	St. Law. Flour.	16¾	17	17	17
87	84¼	7	8.30	Do. pref.	84¼	..	..	..
13	3⅞	.	...	St. Law. Paper.	4	..	..	..
72	30	6	19.20	Do. pref.	30	31¼	30⅛	30⅛
91	70	7	10.00	St. Maur. V., pf.	70	..	..	..
37½	24	1	3.57	So. Can. Pr.	29	28	28	28
107	103½	6	5.66	Do. pref.	106	106¼	106	106
14	3	.	...	Sprucolite	3	..	..	..
26½	15	2	12.90	St. Pav. & Mat.	15½	15½	15	15½
95	80	7	8.75	Do. pref.	80½	80	80	80
4	1	.	...	Stanfords	4	..	..	..
x87	73	.	...	Do. pref.	..	..	..	..
34	5	1	...	Stand. Chem.	10	..	..	..
15½	7	.	...	Stand. Steel	8¼	8⅝	8	8
42½	36½	3	8.21	Do. pref.	36½	..	..	..
50	35	1.75	4.26	Steel of Can.	41¾	41¼	40	41¼
44	35	1.75	4.37	Do. pref.	39	41½	39	40
15	8½	.	...	Sterling Coal	6½	..	..	..
48½	22	80+20	3.68	Super. Pet. Ord.	26½	29	26½	29
101	95	7	7.21	Do. pref.	97	97	97	97
45	24	80+20	4.16	Do. com.	24	..	..	..
65	41	.	...	Tamblyn	41	..	..	..
102	97	7	6.89	Do. pref.	101½	101½	101½	101½
40	32	3.50	10.93	Thayers, pref.	32	..	..	..
89	14	.	...	Tip Top Tailors.	15	14	14	14
108	85	7	7.83	Do. pref.	89⅜	..	..	..
30	24	.	...	Tooke Bros.	26	24	24	24
80	75	7	9.33	Do. pref.	75	..	..	..
21	12	.	...	Tor. Elevators	13	..	..	..
255	220	12	5.00	Tor. Gen. Trusts	240	240	240	240
125	108	6	5.55	Toronto Mtge.	109	108½	108	108
4	1	.	...	Traymore	1¾	1¾	1½	1½
12	9	1.40	12.72	Do. pref.	10	11	11	11
295	180	4+2	2.06	Tuckett Tob.	290	..	..	..
125	113	7	5.60	Do. pref.	125	125	125	125
32½	7	2 (scrip)	..	Twin City	10½	10	10	10
b79	48⅞	7	...	Do. pref.	..	..	..	..
32½	17	1.65	9.16	Union N. Gas	18	18	17½	18
130	122	7+1	6.40	United Trust	125	..	..	..
20	10	.	...	United Fuel	10	..	..	..
80½	73	6	8.10	Do. pref.	75	74	74	74
66½	34	.	...	United Secs.	36	40	35	40
9½	1	.	...	Vacuum Gas	3	2½	2½	2½
15	6	.	...	Viau Biscuit	6⅝	..	..	..
85	70	7	10.00	Do. pref.	70	..	..	..
40	35	.	...	Wabasso	35	..	..	..
13¾	5⅛	1	14.28	Walker-Good.	6½	7	6⅝	7
16½	6	1	12.50	Waterloo Mfg.	8	8¼	8¼	8¼
44½	18	1	3.25	Weston	30	..	..	..
92	85	7	8.23	Do. pref.	89	85	85	85
25	16	1.40	7.77	West. C. Flour.	19	18¼	18	18
104	96	6.50	6.70	Do. pref.	97¼	97⅛	97	97
23	17	.	...	West. Grocers	17	..	..	..
68	45	7	15.55	Do. pref.	45	..	..	..
41	24	50c	...	West. St. Prod.	24	..	..	..
96½	90	6.50	6.98	Do. pref.	93	..	..	..
9	9	.	...	Whittall Can.	9	..	..	..
9¾	7½	.	...	Wm. Alloy Prod	7½	..	..	..
25	17	.	...	Windsor Hotel	17	..	..	..
82½	70	6.50	9.28	Do. pref.	70	70	70	70
54	17⅜	2	10.00	Winnipeg Elec.	20¼	20⅛	20	20¼
104½	84	7	7.95	Do. pref.	85	90	84½	90
x30	30	.	...	Woods Mfg.	30	..	..	..
74	60	7	11.66	Do. pref.	60	..	..	..
85	72	7	8.75	Wood, Alex., pf.	72	80	80	80

Unlisted Canadian Securities

(Furnished by A. J. Pattison Jr. & Co. Limited)
Nov. 25, 1930

Industrial Stocks:	Bid	Ask
Andian Nat. Corp.	24.00	26.50
Border Cit. Htl. pf.	....	22.00
Brand.-Hend. pfd.	86.00	....
B.C. Pulp & Paper pfd. 7%	60.00	70.00
B.C. Pulp & Paper, com.	2.00	....
Canada Biscuit pfd.	....	22.50
Can. Crushed Stone, pfd.	65.00	....
Can. Machinery c.	7.00	10.00
Can. Mach. pf. 7%	25.00	35.00
Can. Packers com.	23.00	28.00
Can. Pack., 7% pf.	97.50	100.00
Can. Wire & Cable pfd. W.W.	101.50	....
Can. Indust. c. "A"	140.00	180.00
Can. Indust. c. "B"	140.00	180.00
Can. Indust. 7% p.	118.00	123.00
Can. Invest. c.	....	18.00
Can. Westinghouse	....	87.00
Chase, A. W., pfd.	47.00	52.00
Copeland Flour pfd.	....	20.00
Dom. Alloy pfd.	1.00	2.00
Dom. Alloy com.	....	.20
Dom. Foundries & Steel, pfd.	66.00	75.00
Dom. Foundries & Steel, com.	7.00	....
Dom. Manufac. pfd.	75.00	....
Dom. Manufac., c.	6.50	....
Dom. Sugar com.	17.00	21.00
Dom. Woollens, c.	....	6.00
Dunlop Tire 7% pf.	101.00	....
Eastern Car pfd.	....	75.00
East. Dairies pfd.	96.00	100.00
Frost & Wood, com.	....	14.00
Goderich Elevator	15.00	18.00
Greening Wire, 7% pfd.	100.00	104.00
Guardian Real. pfd.	52.00	....
Inter-City Baking c.	60.00	75.00
Inter. Proprie. "A"	....	33.50
Kingston Ship Bldg., pfd.	14.00	18.00
Kingston Ship Bldg., com.	6.00	10.00
Loew's London c.	1.00	2.00
Loew's London pfd.	2.00	4.00
Massey-Harris pfd.	80.00	....
Milton Brick pfd.	....	30.00
Nat'l. Grocers com.	1.00	1.65
Nat'l. Groc. 2nd p.	45.00	....
Para. Kitchener pf.	28.00	....
Para. Oshawa c.	10.00	....
Reliance Grain pfd. 6½%	....	80.00
Rogers Maj. Radio	....	15.00
Service Stations "A" pfd.	....	90.00
Stand. Clay Prod. c.	27.00	....
Standard Fuel pfd. bonus	77.00	....
Supertest "B" pfd.	15.00	20.00
Toronto Ball Club	....	60.00
Toronto Brick pfd.	68.25	....
Tor. Carp. 8% pf.	101.00	....
Toronto Carpet c.	112.00	....
Tor. Elev. pfd. 7%	....	90.00
United Amusement "A"	26.50	....
Western Grain pfd. bonus	....	90.00
Willards Choc. 8% pfd.	63.00	73.00
Willards Choc. c.	3.00	....
Insurance Stocks:		
Brit. Amer. Assce.	50.00	....
Canada Life	660.00	750.00
Can. Nat'l. Fire	21.00	30.00
Can. Fire Insce.	78.00	....
Capital Life	18.00	25.00
Commercial Life	....	25.00
Confeder. Life 20% pd.	250.00	325.00
Continental Life 20% pd.	71.00	78.00
Crown Life %	270.00	400.00
Dominion Fire	105.00	130.00
Dom. of Can. Gen.	240.00	280.00

	Bid	Ask
Dom. Life 50% pd.	345.00	400.00
Excelsior Life 30% pd.	105.00	130.00
Federal Fire 25% pd.	29.00	....
Fidelity Ins. of Can.	....	160.00
Great West Life	475.00	625.00
Guarantee Co. of N. A.	250.00	....
Imperial Life	400.00	450.00
Manufacturers Life	365.00	395.00
Monarch Life 10% pd.	30.00	40.00
National Life 25% pd.	105.00	120.00
N American Life.	....	90.00
Saskatchewan Life 10% pd.	20.00	....
Sovereign Life 25% pd.	36.00	42.50
Sun Life	1600.00	1850.00
Western Assurance	47.00	55.00
West. Life 20% pd.	13.00	18.00
Trust & Loan Stocks:		
Br. Mtge. & Trust	205.00	225.00
Can. Gen. Inv. Trust 1st	....	65.00
2nd. Can. Gen. Investments	10.00	14.00
Capital Trust	70.00	80.00
Chartered Trust	100.00	....
Comm. Finance pf.	50.00	....
Deb. & Sec. pfd. 5%	66.00	....
Deb. & Sec. com.	85.00	....
Guelph & Ont. Inv. Par $50	60.00	70.00
Lambton Loan & Savings	76.00	....
London & Western Trust	....	190.00
Midland Loan & Savings	17.00	22.00
Mtge. Disct. 6% pf.	4.25	5.25
Mtge. Discount c.	.40	....
Mutual Finance pf.	....	8.00
Sec. Loan & Sav.	118.00	....
Sherbrooke Trust	116.50	....
Sterling Trust	90.00	....
Traders Fin. 'A' pf.	....	85.00
Traders Finance c.	14.00	20.00
Trusts & Guarantee	91.00	95.00
Waterloo Trust & Savings	121.00	....
Power Issues:		
B.C. Elec. Pwr. & Gas pfd.	102.25	106.00
Calgary Power pf.	95.00	99.00
Can. Light & Pr. c.	....	35.00
Can. Northern Pwr. pfd.	105.00	106.50
Can. West. Nat. Gas LH & P pfd.	92.00	96.00
East Koot. Pr. pfd.	95.00	100.00
Great Lakes Pwr. pfd.	93.50	....
New Bruns. Pwr. 1st pfd.	50.00	65.00
Nova Scotia L & P. pfd.	94.00	....
Ottawa LH&P 6½% pfd.	102.50	....
Power Corp. 6% pf.	101.00	103.00

Recent London Quotations

Brewer Distillers	5s. 6d.
Can. & For. Sec.	7s. 9d.
Can. West. Lumber	2s. 9d.
Hudson's Bay	44s. 4½d
Do., 5% pfd.	95s.
Internat. Holding	3¼
Wall Paper Mfg.	30s. 6d.
Pref. 5%	19s. 3d.

The Canadian General Securities furnish the following quotations:

	Bid	Ask
Can. Gen. Inv. Trust	75	79
Traders Fin. 'A' pfd.	96	100
Traders Finance 'B'	97	101
Traders Fin., com.	21	30

(All quotations subject to confirmation and change)

H. C. Flood's Active Bond Prices

November 11, 1930.

	Price	Interest Date	Yield
Abitibi Power & Paper 5/53	75	Dec. 1	7.25
Algoma Steel Corpn. 5/62	70	Apr. 1	6.80
Argentine Govt. 6 58 Series B	95	Dec.	6.38
Bell Tel of Canada 1st 5/57	104½	Dec.	4.70
British American Oil 5/45	100	Mar. 1	4.95
B. C. Power Corp. 5%, 1960	101	Mar.	5.42
Brazil, U.S. Ext. S.F. 6½/57	70	Apr. 1	...
Calgary Power Co. 5% 1960	97	Apr. 1	5.20
Can Cement Co. 1st Mtge. S.F. 5½/47	101½	May	5.40
Can. North. Power 6%, 1953	94½	May	5.42
Canada Power & P. 5½/58	40	Jan.	...
Can. Light & Power 1st S.F. 5/49	96	Jan. 1	5.32
Can. S.S. Lines 6/41 1st & Gen.	85	Feb. 18	8.00
C. N. R. Dom. Can. 4¾, 1955	102½	Dec. 15	4.57
C. P. R. Coll. Trust 5/54	105	Dec. 1	4.65
C. P. Rly. Secured 4½ 44 Notes	98¼	Dec. 1	4.65
Can. Goodrich Income 7/43	60	......	...
Chile Republic Ext. S.F. 6/60	83½	Apr. 1	7.37
Colombia Repub. Ext. S.F. 6 61	69	Apr. 1	8.95
Dom. Iron & Steel S.F. 5/39	98	......	...
Dom. Square Corp. 5/48	94	Apr. 1	6.56
Dominion Tar & Chemical Debs. 6/49	100½	Jan. 2	5.95
Duke Price Power 1st 6/66	105	May 1	5.68
Eastern Dairies Convertible 6/49	102	May 1	5.83
Foreign Power Securities 6% 1949	100	Dec. 1	6.00
French Nat. Mail Ex. S.F. 6/52	103	May	5.83
General Steel Wares 1st S.F. 6/52	95	May 1	6.42
Gatineau Power Co. 1st Mtge. 5/56	95	Dec. 1	5.36
Gatineau Power S.F Debs. 6/41	99	Dec. 1	6.05
Howard Smith P.M. 5½/53	92½	Dec. 1	6.10
Manitoba Power 1st S.F. 5½/51	101	Jan. 1	5.42
Massey-Harris Co. 1st Mtge. 5/47	95	Apr. 15	5.45
Montreal Coke 1st S.F. 5½/47	102½	Dec. 1	5.28
Montreal Island Power 5½/57	100	May 1	5.50
Montreal Power 5/51	103¾	Apr.	4.72
Montreal Tram. 1st Coll. Trust 5/41	100½	Jan. 1	4.95
Montreal Tram. Gen. Ref. 4½/55	89	Apr.	5.30
Montreal Tram. Gen. 5/55	95	Apr. 1	5.37
Nova Scotia Steel & Coal 1st 5/59	72	Jan. 1	7.86
Nova Scotia Steel & Coal 6 deb.	46	......	...
Northwestern Utilities 1st 7/38	104	Dec.	6.35
Power Corp. of Canada 4½/59	90	Mar. 1	5.05
Price Bros. 1st S.F. Series A 6/43	104½	Feb. 1	5.52
Quebec Power 1st Mtge. Coll. S.F. 5/68	103½	Dec. 1	4.80
Rio de Janeiro Trams. 5 35	99	Jan.	5.25
Shawinigan W. & P. 4½/68	97½	Dec.	4.64
Simpsons 6/49	102	Jan. 2	5.82
Sou. Canada Power 1st 5/55	102½	Apr.	4.83
United Securities Coll. Trust 5½/52	101	May	5.41
Wayagamack P. & P. 1st S.F. 6/51	97	Feb. 1	6.25

Foreign Exchange

NEW YORK FUNDS

	High (Discount)	Low	Last Year High (Premium)	Last Year Low
November 19	9-64	9-64	2%	1 5-8
November 20	9-64	9-64	1 1-2	1 1-4
November 21	9-64	9-64	1 3-16	1 5-32
November 22	9-64	9-64	1 1-4	1 1-8
November 24	9-64	9-64	1 3-16	1 3-16
November 25	9-64	9-64	1 1-16	1

STERLING, FRANCS AND LIRE

	Sterling	Francs	Lire
November 19	4.85 1-2	3.92 5-8	5.23 7-16
November 20	4.85 1-2	3.92 3-4	5.23 7-16
November 21	4.85 7-16	3.92 5-8	5.23 3-8
November 22	4.85 3-8	3.92 13-16	5.23 3-8
November 24	4.85 3-8	3.92 3-8	5.23 3-8
November 25	4.85 3-8	3.92 3-4	5.23 1-4

FOREIGN EXCHANGE

Par		Nov. 11	Nov. 18	Nov. 25
5.263	Italian	5.22¾	5.22¾	5.22¾
23.80	German	23.78	23.79½	23.81½
18.90	Belgian	13.92½	13.91½	13.90½
49.80	Japanese	49.65	49.60	49.55

Winnipeg Stock Exchange

November 17

	Bid	Ask
Beaver Fire	..	120
Beaver Lumber c.	..	19
Do., pref.	..	105
Can. Fire Ins.	..	92
Can. Indemnity	125	..
Crescent Creamery	92	94
Gt. West Life	..	580
Home Investment	..	70

	Bid	Ask
Monarch Life	..	32
North Can. Mtg.	..	25
North. Mtge. par pd.	12	..
Northern Trust	..	45
Sovereign L. 25% pd.	..	45
Traders Bldg.	89	..
Un. Gr. Growers	14¾	..
West. Breweries	..	3½

Montreal, Toronto and Curb Stocks

2½	1½	.	...	Zimmerknit	1¾	..	..	..
25	4	.	...	Do. pref.	11	11	11	11

x Quotations for 1929. None recorded in 1930 to date.
†$1 each for 1928 and 1929 and 50c interim. a Stock dividend. b. New York quotations. c. Stock dividend of one share for each fifty shares held instead of cash dividend, payable Dec. 1.

Dividends Declared

	Annual Rate	Div. Declared	Date	Record
Andian National	...	$1	Dec. 15	Dec. 2
Acme Glove 1st pfd.	6½%	1⅝%	Dec. 15	Nov. 30
Assoc. Qual. Canners	$1.50	37½c	Dec. 1	Nov. 15
Bk. Cam Nationale	10%	2½%	Dec. 1	Nov 15
Bank of Montreal	12+2%	3+2%	Dec. 1	Oct. 31
Bank of Toronto	12+%	3+1%	Dec. 1	Nov. 15
Belding Corticelli, pfd.	7%	1¾%	Dec. 15	Nov. 29
Brazilian Tr. ord.	...	†	Dec. 1	......
Bank of Nova Scotia	16%	4%	Jan. 2	Dec. 16
Brit. Amer. Royalties deb.	8%	2%	Dec. 1	......
Do., partic. div	...	6¼c	Dec. 1	Nov. 28
Do., Class "A"	...	6¼c	Dec. 1	Nov. 28
Brand.-Henderson pref.	7%	1¾%	Jan. 2	Dec. 1
Canada Trust	10%	5%	Jan. 2	Dec. 15
Canadian Car pref.	$1.75	44c	Jan. 10	Dec. 26
Canada Cement, pfd.	6½%	1⅝%	Dec. 31	Nov. 30
Can Bank of Commerce	12+1%	3+1%	Dec. 1	Oct. 31
Can Celanese, pfd.	.....	3½%	Dec. 31	Dec. 15
Canada Vinegars	$1.60	40c	Dec. 1	Nov. 15
Canada Wire & Cable, "A"	$4	$1	Dec. 15	Nov 30
Do., com "B"	..	43¾c	Dec 15	Nov 30
Canadian Oil, pref.	8%	2%	Jan. 1	Dec. 20
Can. Hydro Elec 1st. pfd.	6%	1½%	Dec. 1	Nov. 1
Canadian Car, com.	$1.75	44c	Nov. 29	Nov. 15
Can. Pac. Rly.	$2.50	62½c	Dec. 31	Dec. 1
Can. Perm. Mtge.	12%	3%	Jan. 2	Dec. 15
Can. Int. Inv. Trust, pfd.	5%	1¼%	Dec. 1	Nov. 15
Canada Paving, pfd.	7%	1¾%	Dec. 1	Nov. 15
Cooksville Co. pfd.	4%	1%	Dec. 15	Nov. 28
Can. Bakeries, 1st pfd.	$7	$1.75	Dec. 15	Nov. 29
Dominion Bank	12+1%	3+1%	Jan. 2	Dec. 20
David & Frere, "A"	$2.25	56c.	Dec. 15	Nov. 28
Dominion Glass	7%	1¾%	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 2	Dec. 15
East. Utilities Invest. part pfd.	6%	$1.50	Dec. 1	Oct. 31
Do., pref.	7%	$1.75	Dec. 1	Oct. 31
Do., prior pfd.	$5	$1.25	Jan. 2	Nov 28
Eastern Theatres, com.	$2	50c	Dec. 1	Oct. 31
East Kootenay Power, pfd.	7%	1¾%	Dec. 15	Nov. 29
Ford Motor "A" & "B"	$1.20	60c	Dec. 22	Dec. 1
Huron & Erie Mtge.	8%	2%	Jan. 2	Dec. 15
Hiram Walker	$1	25c	Dec. 15	Nov. 26
Hamilton Un. Theatres, pfd.	7%	1¾%	Dec. 31	Nov. 29
Hollinger Mines	65c	1%	Dec. 2	Nov. 18
Howard Smith Pap., pfd.	6%	1½%	Dec. 1	Nov. 21
Hydro-Elec. Secs.	$2	50c.	Dec. 16	Nov. 15
Imperial Oil	50+50c.	12½+*50c	Dec. 1	Nov. 15
Inter. Nickel, com.	$1	25c	Dec. 31	Dec. 1
Inter. Milling, 1st pfd.	7%	1¾%	Dec. 1	Nov. 20
Do., Series "A"	6%	1½%	Dec. 1	Nov. 20
Inter. Petroleum	$1	25c	Dec. 15	Nov. 29
Imperial Tobacco, ord.	7%	1¾%	Dec. 31	Dec. 3
Inter. Proprietaries "A"	$2.60	65c	Dec. 15	Nov. 27
Do., participation	...	15c	Dec. 15	Nov. 27
King Ed. Hotel debs. "A" & "B"	...	4%	Dec. 1	......
Lake of Woods, com	$3.20	80c†	Dec. 1	Nov. 15
Do., pref.	7%	1¾%	Dec. 1	Nov. 15
Loblaw Grocet. "A" & "B"	80c	20c	Dec. 1	Nov. 12
London Can Invest, pref.	5%	1¼%	Dec. 1	Nov. 15
Lindsay, C. W., com.	$1	25c	Dec. 1	Nov. 15
Do., pref.	6½%	1⅝%	Dec. 1	Nov. 15
Lake Shore Mines	$1.20+30	30c	Dec. 15	Dec. 1
Laura Secord	$3	75c	Dec. 1	Nov. 15
Legare, P. T. pfd.	7%	1¾%	Dec. 1	Nov. 15
Montreal Cottons	6%	1½%	Dec. 15	Nov. 30
Do., pref.	7%	1¾%	Dec. 15	Nov. 30
Montreal Loan & Mtge.	12+1%	3%	Dec. 15	Nov. 30
McColl-Frontenac	60c.	15c.	Dec. 15	Nov. 15
McIntyre Mines	20%	5%	Dec. 1	Nov. 1
Morrison Brass, pfd.	7%	1¾%	Dec. 1	Nov. 24
N. S. Light & Pr., pfd.	6%	1½%	Dec. 1	Nov. 15
National Brick, pref.	6%	1½%	Dec. 15	Nov. 29
New Method Laundry pfd.	6½%	1⅝%	Dec. 1	Nov. 20
Ogilvie Flour. pfd.	$7	$1.75	Dec. 1	Nov. 20
Provincial Bank	9%	2¼%	Dec. 1	Nov. 15
Photo Engravers	$2	50c	Dec. 1	Nov. 15
Paramount Publix	$4	$1	Dec. 27	Dec. 5
Reliance Grain, pfd.	6½%	1⅝%	Dec. 15	Nov. 29
Royal Bank	12+2%	3+2%	Dec. 1	Oct. 31
Shawinigan	$2.50	62½c	Jan. 10	Dec. 15
Sher. Williams, com.	$1.80	40+5c	Dec. 31	Dec. 15
Do., pref.	7%	1¾%	Dec. 31	Dec. 15
Sylvanite Gold	...	3%	Dec. 20	Dec. 6
Simon & Sons	$2.50	62½c	Dec. 1	Nov. 25
Do., pref.	7%	1¾%	Dec. 1	Nov. 25
Union Natural Gas	.	35+5c	Dec. 10	Oct. 15
Walker Good	$1	25c	Dec. 15	Nov. 26
Windsor Hotel, pfd.	6½%	1⅝%	Dec. 1	Nov. 15
Winnipeg Electric pfd.	7%	1¾%	Jan. 1	Dec. 6
Wright Hargreaves	...	5c	Jan. 2	Nov. 29

* Special distribution.
† Stock dividend of 1 share for each 50 shares held on Oct. 31, 1930.

Listed Bond Quotations

Week Ending November 24

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1930 High	Range 1930 Low
Abitibi, 1st Mtge.	5	1953	7.62	69	...	...	88½	70
Asbestos	5	1942	5.00	†105	...	...	105	99½
Asbestos, 1st Mtge.	6	1941	...	†40	...	...	81	46
Do., gen. mtge.	6	1956	...	†20	...	...	41	5
Can. Cons. Rub.	6	1946	5.74	†104	...	...	103¾	102⅛
Can. Cottons	5	1940	7.12	...	...	...	85	...
Can. Forgings	6	1942	...	...	...	...	...	...
Can. Locomotive	6	1951	6.34	†94	...	...	96	...
Can Pr. (Laur ser)	5½	1958	...	34½	38	35	75½	31
Do., (Way. ser.)	5½	1958	...	35	38	34	74½	31¾
Can. S.S. deb.	5	1943	5.20	...	...	...	98¾	94
Cedar Rapids	5	1953	4.79	103	...	...	102⅝	99⅝
Dom. Canners	6	1940	5.60	103	...	...	103	...
Dom. Coal	5	1940	5.30	98	...	...	97¾	95½
McNish	6	1948	...	2.50	2.50	...	3.55	2.50
Mex. Elec.	5	1942	...	...	...	...	x74	...
Mex. L. & P.	5	1940	...	†80	...	...	x75¾	71½
Mont. L. H. & Pr	4½	1932	5.09	99¼	...	...	98⅞	98⅜
Mont. Tr. 1st mtge.	5	1941	5.02	98	99¾	...	104⅛	94
Mont. Tr. "A"	5	1955	5.58	92	92½	...	96⅞	90
Mont. Tr. G.&R. 'B'	5	1955	5.57	...	92⅜	...	96	91½
Do., "C"	4½	1955	5.43	†87	...	...	89	85½
Do., "D"	5	1955	5.34	...	...	...	96½	93½
N. S. Steel	5	1959	8.40	...	...	...	71	63¾
Ogilvie Flour "A"	6	1932	6.00	100	...	...	100	...
Do., "B"	6	1932	5.80	100	100⅜	...	101	100
Do., "C"	6	1932	...	100	...	...	103	100
Ont. Steel	6	1943	...	100½	...	...	x105	104
Porto R. Rly.	5	1936	6.42	93	...	...	93	92
Steel of Can.	6	1940	5.22	105¾	...	...	108	105
Wabasso	6	1947	...	†101	...	...	x101	...
Wayagamack	6	1951	6.95	88	...	...	98	89½
West. K. Power	6	1940	...	105	...	...	x106	104½
Wpg. Elec.	5	1935	5.31	98¼	...	...	98¼	...
Toronto								
Canada Bread	6	1941	5.78	†102	101⅝	...	103¼	101
Can. Canners	6	1950	...	...	...	...	x102¼	100
Dom. Canners	6	1940	...	...	...	...	...	...
Porto R. Rly.	5	1936	...	...	...	...	...	...
Postal Tel.	5	1953	...	...	...	...	93	88⅜
Steel of Can.	6	1940	...	105	...	...	x98	...

†Latest asked.
x Quotations for 1929. None recorded in 1930 to date.

Dominion Govt. Bonds (Montreal)

	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1930 High	Range 1930 Low
War Loan	5	1931	4.30	100.75	100.75	100.65	101.00	99.75
Do.	5	1937	4.10	104.65	......	......	105.95	100.90
Victory Loan	5½	1933	4.40	103.25	103.45	103.15	103.65	101.60
Do.	5½	1934	4.60	103.15	103.25	102.95	103.90	101.05
Do.	5½	1937	4.09	108.40	108.60	108.40	109.60	103.90
Do., refund	4½	1940	4.50	100.15	100.25	100.15	101.55	95.10
Do., refund	5	1943	4.63	103.60	103.80	103.40	104.00	100.30
Do., refund	4½	1944	4.48	100.20	100.15	......	100.50	95.30
Do., refund	4½	1946	4.48	100.25	100.15	100.05	100.25	96.10
Do., renewal	5½	1932	4.64	101.80	......	......	102.10	100.75

Active Provincial and Municipal Bonds

(Furnished by H. R. Bain & Co., Ltd.)
350 Bay Street, Toronto, Ont.

Provinces	Rate	Actual Mat	Next Int. Date	Ask	Yield
Alberta	4½	1 Oct. 1958	1 Apr.	98.43	4.60
Alberta	5	1 Jul. 1943	1 Jan.	102.40	4.75
Alberta	6	1 Apr. 1936	1 Apr.	105.65	4.82
British Col.	4½	1 Oct. 1958	1 Apr.	99.00	4.57
British Col.	5	15 Jan. 1948	15 Jan.	103.55	4.70
British Col.	6	15 Aug. 1941	15 Feb.	110.61	4.75
Manitoba	4	1 Jul. 1947	1 Jan.	92.98	4.60
Manitoba	5	2 Jun. 1959	2 Dec.	105.54	4.65
Manitoba	5	15 Jun. 1943	15 Dec.	103.39	4.65
N. B.	4½	1 Jun. 1943	1 Dec.	99.39	4.55
N. B.	4¾	15 Jun. 1936	15 Dec.	100.78	4.60
N. B.	6	1 Jan 1936	1 Jan.	106.24	4.70
Nova Scotia	4½	15 Nov. 1948	15 May	98.78	4.60
Nova Scotia	5	1 May 1943	1 May	102.81	4.70
Nova Scotia	6	1 Nov. 1936	1 May	106.46	4.75
Ontario	4½	1 Sep. 1944	1 Mar.	100.00	4.50
Ontario	5	15 Oct. 1948	15 Apr.	104.86	4.60
Ontario	6	2 May 1936	2 May	106.24	4.70
P. E. I.	4	1 Apr. 1939	1 Apr.	95.82	4.60
P. E. I.	4½	1 Oct. 1944	1 Apr.	98.98	4.60
Quebec	4½	1 Jun. 1946	1 Dec.	100.15	4.47
Quebec	5	1 Mar. 1964	1 Mar.	108.61	4.50
Saskatchewan	4½	1 Oct 1944	1 Apr.	98.98	4.60
Saskatchewan	5	1 Oct 1960	1 Apr.	103.86	4.70
Saskatchewan	6	1 Feb. 1936	1 Feb.	105.74	4.80
Cities					
Montreal	5	1 Sep. 1963	1 Mar.	103.30	4.80
Toronto	4½	1 Sep. 1964	1 Mar.	97.14	4.70
Vancouver	4	1 Aug. 1946	1 Feb.	91.14	4.80
Winnipeg	5	1 Mar. 1944	1 Mar.	101.47	4.85
Windsor	5	1 Dec. 1957	1 Dec.	100.00	5.00
Edmonton	5½	1 May 1945	1 May	105.64	4.95
Calgary	5	1 Jan. 1943	1 Jan.	100.46	4.95
Halifax	5	1 Jul. 1951	1 Jan.	101.96	4.85
St. John	5	15 Dec. 1950	15 Dec.	101.98	4.85
Regina	4½	1 Jul. 1950	1 Jan.	94.33	4.95
Victoria	5	21 Jul. 1945	21 Jan.	101.59	4.85

A.J. Pattison, Jr. & Co. LIMITED
INVESTMENT BANKERS
Dealers in Unlisted Bonds and Shares
159 Bay Street, (First Floor) Toronto — Elgin: 5101 (TEN LINES)

Can. Industrial Alcohol Lowest Among Distillers

Comparison of Assets of "Big Three" Shows Deflation Gone Farther With Davis Company, But Sales Down in 1930

Few classes of stocks have presented to the speculatively-inclined a more attractive opportunity of giving rein to their prophetic proclivities at popular prices than the liquor stocks during the last year or so. Purchasers have not been out buying equities, good as they would be under normal conditions of business, but rather have had their ears cocked for developments in the prohibition situation in the U. S. A., any news of which would charge the Canadian distillery stocks with vitality and the consummation of which would without question be enormously profitable.

Canadian Industrial Alcohol shares have receded further than others.

Largely dependent as they are on the political developments, the three important distilling companies nevertheless afford material for interesting comparison in the light of present market valuation of the stocks, which reveal figures as folows:

	Market value $	Net assets $	Book value per sh. $	Assts. per $ inv. $
Distillers Seagrams	15,000,060	19,935,128	13.29	1.30
Walkers G. W.	17,820,000	34,474,455	13.06	1.90
Can. Ind. Alcohol§	3,645,050	16,791,221	15.36	4.60

§ 1929 figures, year ended Sept. 30.

The net assets shown above are those available to stockholders after deducting depreciation and contingent reserves, and goodwill (or otherwise) as stated below:

	Deprec. & Conting. reserve	Per $ invest.
Distillers-Seagrams, goodwill included	$ 806,211	$ .53
Walkers - G. & W., goodwill not included	4,186,696	1.58
Can. Ind. Alco., goodwill included	(not shown)	...

A comparison of inventories of the three companies is also interesting, although different bases are used for the valuation of stocks-on-hand and the total value only in each case is available. Canadian Industrial Alcohol, which bases its inventory values on cost, again shows the more favorable figure per dollar invested.

Distillers-Seagrams,
inventory val. $9,380,964, or .62 per $ inv.
Walkers-G. & W.,
inventory val. $9,959,310, or .56 per $ inv.
Can. Ind. Alco.,
inventory val. §$5,755,680, or $1.58 per $ inv.
§ 1929 figure, year ending Sept. 30.

The annual statement of Canadian Industrial Alcohol appeared last year in the first week of December. It is therefore hardly overdue, although the end of the company's fiscal year is September 30. Consequently all figures given for this company are as of 1929. The 1930 figures are expected to show substantially reduced profits, attribuated mainly to the closed border market.

Look to U. S. for Sales

Officials of all three companies met on November 4, to discuss the formation of a central selling agency to handle all sales. No announcement has been made as to the result of the meeting, but there is no doubt that such an arrangement would be accompanied by benefits to all three, certainly as regards reduced selling costs.

Nevertheless, the future for distillery stocks seems to be just as obscure as ever. The opinion prevailing among many that the United States may revise the existing prohibition laws would not yet appear to be on very sound foundations, and even if some alleviation of the present system did seem to be inevitable, it seems highly probable that a start would be made with beer and wines with the view that the demand for spirits would be mitigated thereby.

	Curr. mkt.	Earn. p. sh.	Div.	Price earn. ratio	Yield
Distillers-Seagrams	$10	$2.27	$1	4.4—1	10%
Walkers-G. & W.	6¾	$1.04	$1	6.5—1	14½%
Can. Ind. Alcohol	..	*$1.90	..	..	..

* 1929 earnings; 1930 figures not yet out. Dividends passed March, 1930.

Fanny Farmer Profit $3.45 Per Share Last Year

In The Financial Post of November 20, wrong figures appeared for earnings per share on the common stock of Fanny Farmer Candy Shops, Inc. The correct earnings on the common shares were $3.45 in 1929, $2.71 in 1928 and $2.48 in 1927.

In the same issue the market quotations given on the preferred shares of Twin City Rapid Transit Co. and Postal Telegraph & Cable Corp. were from Canadian exchanges and since these stocks are seldom traded in Toronto the New York Stock Exchange quotations should have been used.

Twin City preferred has had a range of 79 to 48⅞ during 1931 with recent quotations around 49. Postal Telegraph has had a range of 103 to 50 with latest transactions at near 50.

Say Biltmore Hats Has Profitable Year

Biltmore Hats, Ltd., which closes its fiscal year November 30, will have a favorable report, it is stated on good authority. Preferred dividend was earned in the first half of the year and it is understood that the second half has been a good period.

Inventories have been reduced from a year ago and the cost-accounting system and sales-budgeting plan which was installed in 1929 has been effective in controlling expenses as well as enabling the company to know its exact position from month to month.

This information, it is stated, is based on actual figures, although no interim statements have been made public in the course of the year. In the ten-month period ended November 30, 1929, net earnings after depreciation were $26,760, which left 41 cents per share for the common after payment of $5.25 per share on the preferred, of which $300,000 is outstanding.

Canada Life Invests Big Sum in Ten Months

Investments totalling $14,424,223 were made by the Canada Life Assurance Company in major securities from Jan. 1 to Oct. 31, 1930.

Of this sum, $5,727,794 was invested in bonds in the following amounts: government and municipal, $1,927,939; railway, $246,881; public utility, $2,860,970; and miscellaneous bonds, $692,003. $1,127,564 was invested in public utility preferred stocks and $38,756 in miscellaneous preferred stocks. There was a small investment of $2,222 in railway common stocks and $266,854 in common shares of bank, loan and trust companies.

More than half the total, or $7,261,030 was invested in mortgages, of which $5,629,696 was placed on city properties.

The total holdings of the Canada Life in these four classes of investments at the end of October were: $C3,581,260 in bonds, of which $34,172,409 were government and municipal and $18,609,935 public utility bonds. Public utility preferred stocks amounted to $6,168,640 and miscellaneous preferred to $2,205,859. Common stocks were: $2,675,227 in bank, loan and trust companies, $55,947 miscellaneous and $25,423 in railway common stocks. Mortgages held by the company totalled $59,375,423.

Ontario Gold Output Gains

For the ten months of the calendar year crude bullion to the value of $29,254,725 was produced in Ontario from 3,164,136 tons of gold ore milled. This is a gain of $1,471,223 over the amount obtained from 3,369,098 tons treated in the similar period of 1929; showing that the ore being treated this year has been higher grade.

United States Oil Co. Wishes to Buy Supertest

Directors of Canadian Company Meet to Decide Dividend Action, Possible Stock Split and Increase in Disbursements—Sinclair Oil is Possible Buyer

At the meeting of directors of Supertest Petroleum Corp. on Monday, December 1, it is probable that business of the highest importance, even involving the future control of the company, will be considered. The routine business of the company will be to consider dividend action, but the report has gained wide circulation that J. G. Thompson, president of the company, will lay before the board an offer from Sinclair Consolidated Oil Corp., or some equally large United States company, for control of the company. If it is decided not to accept the offer, the board will then consider the advisability it is reported, of a stock split-up and dividend increase.

As the stock of the company has been advancing in recent sessions of the stock market, The Financial Post asked a high official of the company whether these reports were true or not. He would neither affirm nor deny their correctness, but in view of the fact that the company's business has been much better than expected and that profits close to $7 a share have been predicted the time for a dividend increase is near. The company has indicated in the past that it is its policy to encourage a wider distribution of its shares by means of stock splits.

May Be Split 3 For 1

The stock could be split 3 for 1 and the dividend kept at its present rate, thus trebling the dividend, without departing from conservative practice. The present rate is 80 cents a share with a 20 cents bonus. The splitting of the shares 3 for 1 would mean a dividend of $2.40 a share and possibly a bonus of 60 cents a share. However, in view of the company's continuation in 1930 of its expansion programme it may still decide on turning the great part of earnings back into the business and decide on a smaller dividend of 50 or 60 cents a share, which would still be a large increase on the present dividend.

It is interesting to note that Sinclair Oil pays dividends at the rate of $2 a share and sells at less than $14 a share under current market conditions, while Supertest pays 80 cents plus 20 cents or $1 a share at most and is selling at more than $29. Sinclair has sold as high as 32 and Supertest Pete as high as 45 in 1930. It is rather difficult to find an acceptable basis under these conditions. So far as earnings per share are concerned the market valuations of the two companies much more accurately represent the real situation.

Increase in Honey Output

Production of honey this year in Saskatchewan will be over 700,000 pounds, an increase of about 300,000 pounds over the 1929 output. Since 1927 the number of bee colonies has increased 213 per cent.

Matachewan Has Another Find of Gold

From Our Own Correspondent

COBALT—Another gold discovery has been made in the Matachewan area. Credit for this latest discovery goes to Ed. Otisse who, because of the fact that he had already used his own license for staking in another section, lead a party to the scene of the new find.

Those who have examined the Otisse discovery state that the break in which the gold occurs is approximately 25 feet in width and that it follows along the south contact of a tongue of porphyry. Good values and pannings have been secured from the break while values ranging around $4 to the ton are said to have been obtained from the porphyry. The strike is east and west. Latest reports are to the effect that there has been quite a rush of prospectors to the scene of the new find.

The discovery referred to is in the centre of a group of claims known as the Armstrong group. The latter group is located between the Ashley-Garvey (Mining Corporation) discovery and a find in Powell township. Six of the Armstrong claims are located on the Bannockburn side of the township line, while the other three adjoining claims are located on the Powell side of the township line. They are located at Armstrong Lake.

W. H. Bosley & Co.
Real Estate

Property is only as Valuable as its Management

Poorly managed, it may be a liability and a source of worry. Well managed, it should be an asset and a source of satisfactory income.

Every property that has been given into our care is now being managed profitably and happily for the owner. In all dealings, we endeavour to have both tenant and owner satisfied.

We invite inquiries.

28 Adelaide St. West
Toronto
Phones Waverley 1031-2-3

FREDERICK G. TODD
Landscape Architect
920 Castle Bldg., MONTREAL
Marquette 9617

Canadian Quotations--Cont'd

Winnipeg Grain Prices

Week to November 25

High Crop Year	Low Crop Year		Open Nov. 19	High for week	Low for week	Close Nov. 25
		Wheat				
.88⅝	.55	November	.59¼	.65⅝	.58¾	.61½
1.18⅝	.54½	December	.59	.66½	.57¾	.60⅝
1.13⅝	.59½	May	.64	.72½	.62⅜	.66½
.77⅛	.61½	July	.65½	.74	.64¼	.68⅛
		Oats				
.31½	.26⅛	November	.26⅜	.30	.26⅛	.27⅜
.49	.24⅞	December	.25⅞	.32⅝	.25⅛	.26¾
.52	.26⅞	May	.28	.32⅝	.27⅝	.30
.33½	.30⅛	July	..	.33½	.30⅛	.30⅛
		Barley				
.31⅜	.20½	November	.21⅝	.25⅝	.22½	.23⅜
.52	.20½	December	.21¼	.26½	.21½	.23¼
.49	.25½	May	.27¼	.32	.27	.28¼
.32⅜	.29½	July	..	.32⅜	.29½	.30⅛
		Flax				
1.21	1.00	November	1.01	1.04	1.01½	1.02
1.90	.95½	December	.96	1.04	.98½	1.01
1.32½	1.02	May	1.03	1.11	1.03	1.07½
1.11	1.10¼	July	..	1.11	1.10¼	1.10¼
		Rye				
.35½	.25¾	November	.29	.33⅜	.28	.30¼
.71	.25½	December	.28	.33⅞	.28	.30
.75	.31	May	.33¾	.39½	.33½	.35¼
.41¼	.32¾	July	.34¾	.41¼	.34¾	.37⅛

Mining Stock Quotations

Week Ending November 24

Par Val.	Range 1930 High	Range 1930 Low	Company	Close Nov. 17 (or last)	High for week	Low for week	Close Nov.24
1	1.42	.20	Abana	.25	.25	.20	.21
1	.09	.01	Aconda	.01½	.01½	.01½	.01½
None	.50	.32	Aladdin	.33	....	....	....
None	.50	.30	Aldermac	.40	....	....	....
1	.02½	.00¼	Algonquin	.01¼	.01½	.01	.01
1	.19	.01½	Amity C	.02½	....	....	....
None	1.95	.24	Amulet	.37	.37	.35	.36
1	.04	.00¼	Apex	.01½	.01⅜	.01	.01¼
1	.10	.01½	Area	.02½	....	....	....
1	.02	.00½	Argo Cons	.00½	....	....	....
1	.30	.01¾	Arno	.03	.03¼	.02	.02¼
1	.03	.00½	Astoria	.00¾	....	....	....
1	.01	.00½	Atlas	.00½	....	....	....
1	.03¼	.01¼	Baldwin	.01½	.01½	.01⅛	.01½
1	.25	.07	Barry Holl	.07⅛	.08	.07½	.08
None	4.45	.80	Base Metals	1.50	1.45	1.35	1.45
None	.05	.00½	Bathurst	.01	.01	.00½	.00⅛
5	6.10	1.79	B'Wana	2.25	....	....	....
1	.35	.12	Bedford	.15	....	....	....
None	.11	.02	Bidgood	.02½	.03	.02½	.03
1	1.04	.35	Big Missouri	.47	.53	.40	.50
1	.11	.02	Bobjo	.03	....	....	....
None	.01½	.00¾	Boischatel	.00¾	.00½	.00½	.00½
1	.08	.03	Brett Trethewey	.04	.04½	.04	.04
1	.06	.03	Brit Canadian	.06	....	....	....
None	.14	.01½	Brownlee	.02	....	....	....
1	.02¼	.00¼	Buckingham	.00⅝	....	....	....
1	.10½	.01⅜	Bunker Hill	.03½	.03½	.03	.03
None	.08	.05	Cal F lin Flon	.05½	....	....	....
None	.65	.12	Canam Metals	.12	....	....	....
1	.08	.00½	Can Kirk	.03	.02½	.02½	.02½
1	.06	.02	Can Lorraine	.02	....	....	....
1	.15	.15	Canusa	.15	....	....	....
1	.03	.00½	Capital R	.00¾	....	....	....
1	.28	.15	Castle Tre	.18	.16½	.15	.16½
1	.29	.05	Cen Man	.05½	.05½	.05	.05
1	.30	.02	Cen Patricia	.05	.06	.06	.06
1	.07½	.04½	Chaput H	.04½	....	....	....
None	1.05	.10	Chib Pros	.10	....	....	....
None	.12	.00¾	Clericy	.06	.07	.05	.05¼
5	24.00	4.00	Coast Copper	6.00	7.00	6.00	6.75
1	.42	.03	Cobalt Con	.04¾	....	....	....
1	.01	.00⅜	Col Kirk	.01	.00¾	.00¾	.00¾
1	1.17	.05	Columario	.05½	.06½	.06½	.06½
5	1.40	.80	Coniagas	.80	....	....	....
5	.60	.15	Coniaurum	.35	....	....	....
25	80.00	120.00	Cons Smelter	153.00	150.00	140.00	149.00
1	.02	.00½	Corona	.00½	....	....	....
1	02	.00⅛	Crown Res	.01	....	....	....
None	.39½	.02⅛	Dom Explor	.04	.05	.04½	.05
1	.01¼	.00¼	Dom Kir	.00⅜	....	....	....
None	10.20	7.00	Dome Mines	8.20	8.75	8.10	8.30
1	.01	.01	Don Rouyn	.01	....	....	....
1	.05	.00½	Dunkin	.00½	....	....	....
1	.04	.01	Duprat	.01½	.01	.01	.01
None	.04	.03	Engineers Hold	.03	....	....	....
1	.01	.00½	Everett	.00½	....	....	....
None	6.50	1.20	Falconbridge	1.60	1.60	1.45	1.54
1	.02½	.00½	Federal	.01	....	....	....
None	.05½	.00½	Flintoba	.00½	....	....	....
None	.24½	.09½	Gem Lake	.11	....	....	....
None	.07	.01	Gilbec	.01	....	....	....
1	.04½	.01½	Goldale	.02	.02	.02	.02
10	.57	.22	Goldfield	.24	.28	.25	.25¼
1	.02	.00¼	Gold Hill	.00¼	....	....	....
1	.10	.02	Goldfish	.02	....	....	....
1	.03½	.01	Graham	.01	....	....	....
None	2.05	1.00	Granada	1.25	1.35	1.20	1.25
1	.01½	.00¼	Grover Daley	.00¼	....	....	....
1	.10	.03½	Grozelle	.05	....	....	....
1	.03	.01	Harker	.01	....	....	....
1	.18	.10½	Hayden	.10½	....	....	....
1	.01	.00¼	Hilltop	.00½	....	....	....
5	6.65	4.96	Hollinger	5.90	5.95	5.60	5.90
1	1.40	.14	Howey Gold	.17	.23½	.16	.23½
None	14.65	3.50	Hudson Bay	5.50	5.50	4.90	5.35
None	.31	.30	Huronian	.30½	.31	.31	.31
None	44.50	16.25	Int Nickel	18.50	18.75	17.87	18.50
1	.04½	.27	Jackson M	.27	....	....	....
1	.40	.27	Keeley	.27	.28	.27	.27
1	.04	.01	Keora M	.01¼	....	....	....
1	.01¼	.00½	Kirk Hunt	.00½	.00½	.00½	.00½
1	.95	.35	Kirk Lake	.42	.45	.39	.43
1	.03½	.00½	Kirk Prem	.01	.01	.01	.01
20c	.08	.01	Koot Flor	.01½	....	....	....
	.02	.02	La Rose	.02	....	....	....
1	24.75	19.00	Lake Shore	21.55	22.00	21.00	21.00
1	.04	.00½	Laval	.00½	....	....	....
1	.01	.00¼	Lorraine C	.00½	....	....	....
1	.13	.06	Macassa	.07	.10	.10	.10
1	.07	.01½	Malartic	.02½	.02	.02	.02
None	.35	.10	Mandy	.11	.12	.11	.11½
None	.17	.02	Man Basin	.02¾	.03	.02½	.02½
None	.30	.12	McDougall	.15	....	....	....
1	.60	.25	McKinley	.30	....	....	....
5	19.80	5.05	McIntyre	17.75	18.00	17.60	17.60
1	.30	.04	McVittie	.04	....	....	....
5	3.60	.50	Mining Corp	1.28	1.75	1.26	1.70
1	.01¾	.00½	Mint Ore	.00½	....	....	....
1	.04½	.01	Moffatt Hall	.01	....	....	....
1	.04	.02	Moneta	.02½	.03	.03	.03
1	.07	.00¼	Mtl Rouyn	.00½	....	....	....
1	.50	.10	Moss	.20	....	....	....
1	.05½	.01	Murphy	.01	....	....	....
1	.26	.04	Newbec	.07	.07	.05	.05½
1	.05½	.03	Night Hawk	.03½	....	....	....
5	1.85	1.00	Nipissing	1.15	1.20	1.15	1.16
None	44.25	13.00	Noranda	17.90	18.90	17.40	17.50
1	.46	.18	Nor Canada	.22	....	....	....
None	.07	.02	Old Colony	[illegible]	....	....	....
1	.03¼	.01	Ophir	.01	....	....	....
1	1.36	.10	Oriole	.43	....	....	....
1	.30	.10	Osisko	.11	.11	.10	.10
1	.03	.01¼	Pawnee Kirk	.02½	....	....	....
None	5.15	.59	Pend Ore	.70	.76	.70	.70
1	.19¼	.03½	Pete Cobalt	.05	.05¼	.04	.04½
1	.01½	.00¼	Picard	.00½	.00¼	.00¼	.00¼
1	.20	.07	Pioneer	.07	....	....	....
1	.01½	.00¼	Porc Crown	.00¼	.00½	.00½	.00½
1	.03¼	.00½	Potter Doal	.00½	....	....	....
1	1.60	.75	Prem. Gold	.75	.80	.75	.75½
1	.70	.04	Quemont	.07	....	....	....
1	.03	.00¼	Ribago	.00½	.00½	.00½	.00½
1	.10	.02	Ritchie	.04½	.04	.04	.04
1	.04	.00¼	R. Montbray	.01	....	....	....
1	.08	.01	Salmo Mal	.01¼	....	....	....
None	.35	.09	San Antonio	.11	.11	.10	.11
1	.56	.25	Seven Troughs	.35	.27	.25	.25
1	8.50	.55	Sherritt G.	.82	.85	.74	.82
1	.75	.24	Siscoe	.33½	.35	.32	.33
1	.04½	.00½	So. Keora	.03½	....	....	....
None	.07	.01½	Stadacona	.01½	.04½	.02½	.04½
1	.29	.04	St. Anthony	.08	....	....	....
1	.25	.11	Stewart Abate	.11	....	....	....
None	5.35	.45	Sud. Basin	.70	.70	.60	.62
1	.05	.01	Sud. Contact	.02	.01½	.01½	.01½
1	.01	.00¼	Sudbury M.	.00½	.00½	.00½	.00½
None	.20	.08	Sudbury N.	.12	....	....	....
1	1.00	.20	Sunloch	.20	....	....	....
1	1.02	.39	Sylvanite	.55	.56	.54	.55
1	.22	.06	Tashota	.09	....	....	....
1	7.30	4.70	Teck Hughes	5.65	5.90	5.60	5.75
1	.19	.05	Telluride	.08	....	....	....
1	.12	.01½	Thom Cad'c.	.02	.01½	.01½	.01½
1	.03	.02	Temiskaming	.02	....	....	....

Par Val.	Range 1930 High	Range 1930 Low	Company	Close Nov. 17 (or last)	High for week	Low for week	Close Nov.24
1	.05½	.00½	Tough Oakes	.01	.01	.01	.01
1	1.50	.19	Towagmac	.20	.20¼	.20	.20¼
None	7.50	.75	Treadwell	.90	.80	.80	.80
None	3.25	2.75	Tri-Metals	2.75	....	....	....
None	3.50	.35	Ventures	.42	.50	.42	.43
1	.50	.45	Vickers	.45	....	....	....
1	1.42	.60	Vipond	.92	.92	.85	.90
None	5.65	1.40	Waite Ack	2.70	2.60	2.25	2.30
1	.03	.01	West D Lake	01½	....	....	....
	.09	01½	West Tree	.01½	....	....	....
1	1.30	.15	White Lake	.27	.29	.27	.28
1	.05½	.02	Wiltsey	.05	....	....	....
None	.01¼	.00¼	Windfall R.	.00⅜	....	....	....
	.07	.03	Wood Kirk	.03½	....	....	....
None	2.30	1.35	Wright-Har	1.75	1.75	1.65	1.75
			WESTERN OIL STOCKS				
1	.70	.05	Acme	.28	.37½	.27	.34½
1	2.10	2.00	Admiral	2.00	....	....	....
None	1.25	.22	Advance	.23	....	....	....
1	3.75	.30	Alta Pac	.34	.36	.31	.34
None	2.00	.21½	Associated	.23	.28	.24	.25
1	2.91	.80	Ajax	1.36	1.73	1.35	1.59
None	1.60	.09	Baltac	.13	.15	.11½	.13
1	.20	.07	Black Dia.	.07	....	....	....
1	.74	.25	Brit. Dom.	.32	.30	.28½	.29
1	4.25	.31	Calmont	.40	36½	.31	.34
None	3.90	.50	Calgary & Ed.	.58	.59	.54	.59
1	1.00	.10	Comm. Pete.	.16	.21	.17	.21
None	.25	.10	Cypress	.12	....	....	....
1	.50	.45	Dallas	.50	....	....	....
None	3.50	.48	Dalhousie	.50	.55	.48	.51
None	.30	.05	Devenish	.07	....	....	....
None	.26	.05¼	Dome Oil	.10	.11	.09¼	.09¼
None	1.80	.13	E Crest	.75	.74	.65	.69
1	.08½	.02	Fabyan Pete.	.02¼	....	....	....
None	2.50	.40	Foothills	.85	.40	.40	.40
None	1.00	.14	Freehold	.17	.18	.17	.17½
1	.20	.02	Great West	.02	....	....	....
None	1.40	.10	Hargal	.1[illegible]	.13	.12	.12
None	.45	.12	Herron Pete.	.15	.15	.14	.15
None	.26	.05	High Sarcee	.09½	.09½	.08	.08
None	10.00	1.99	Home	2.30	2.30	2.10	2.15
None	.82	.09½	Homestead	.15½	.15	.09½	.15
1	.55	.05½	Ill. Alta	.06	.06½	.05½	.05½
None	2.35	.25	Lowery	.40	.50	.35	.50
1	.20	.03	Madison	.03¾	.03½	.03	.03
1	3.25	.40	Mayland	1.01	.95	.80	.80
None	.33	.10½	McD. S. Ex. Can.	.11	.13½	.10½	.11
1	1.10	.34	McD. S. N.	.36	.37½	.34	.35
1	5.90	.79½	McLeod	.84	.79½	.79½	.79½
None	.87	.20½	Mercury	.27½	.29½	.27	.29
None	1.05	.03	Merland	.14	.17½	.15	.17
1	.42	.14	Mid West	.16	.16	.16	.16
None	2.10	.15	Mill City Pete	.30	.29	.28½	.29
1	.45	.18	Model	.27½	27½	.27	.27¼
1	.91	.15½	Monalta	.18	.18	.18	18
1	.23	.14	Moose M.	.14	.14	.14	.14
1	10	.03	New Federal	.03	....	....	....
None	2.32	.45	Nordon	.60	.76	.60	.68
None	.27	.04	Oil Select	.10	.10	.05	.10
None	2.10	.33½	Okalta	.40	.41	.37½	.40
	30.00	25.00	Do., Pref.	26.00	25.00	25.00	25.00
None	.25	.04	Olga Gas & Oil	.06	.06	.05	.06
1	.58	.11	Petrol	.36	.36	.34	.34
	2.45	1 70	Penn Pete	2.30	....	....	....
None	.43½	.06	Ranchmen's	.11	.12	.12	.12
1	.45	.05	Regent	.05½	.05½	.05½	.05½
None	.48	.05	Richfield	.11½	.11	.10	.11
None	65.00	16.25	Royalite	19.00	19.00	18 00	18.75
1	1.45	.20	Sarnia Oil	.20	....	....	....
1	.50	.15	Sioux City	.16	....	....	....
1	.22½	.05½	Signal Hill	.08	.08½	.08½	.08½
1	1.30	.35	Spooner	.46½	.51	.46	.50
None	2.10	.25	So. West Pete.	.46	....	....	....
None	1.08	.06	Sterling Pac.	.12	....	....	....
	.20	.05	Turner Basin	.20	....	....	....
1	.60	.08	Turner Valley	.15½	....	....	....
None	1.65	.27	United	.28½	.30	.28	.28½
None	.83	.19	Vanalta	.19	....	....	....
1	.80	.11½	Vulcan	.15	.16	.15	.15
None	.15	.01½	Wainwell	.03	.03	.01¾	.02¼
1	1.75	.14	Waite Valley	.19	....	....	....
	.62	.50	Wellington	.50	....	....	....

VANCOUVER STOCK EXCHANGE

Transactions for week to November)

Par Val.	Range 1930 High	Range 1930 Low	Company	Close Nov. 17 (or last)	High for week	Low for week	Close Nov.24
25c.	....	....	Bayview	.01	....	....	....
25c.	....	....	Bluebird	.02½	.02½	.02½	.02½
25c.	....	....	Cork Province	.01	.01	.01	.01
1	....	....	Cotton Belt	.18	.15	.15	.15
1	....	....	Duthie	.14	....	....	....
1	4.50	.75	George Copper	.75	.90	.90	.90
1	....	....	Georgia	.02	.02⅛	.02	.02
10c.	....	....	Gladstone	.02	....	....	....
50c.	....	....	Geo. Enterprise	.02	.05	.05	.05
1	1.90	.31	Golconda	.34	.32	.32	.32
50c.	.90	.04	Grandview	.04	.04½	.04½	.04½
25c.	....	....	L. & L.	.01	....	....	....
1	....	....	Intern. Coal	.12¼	.15	.15	.15
1	....	....	Independence	.03	.01½	.01½	.01½
1	.09	.00½	Indian Mines	.01	.01½	.01½	.01½
1	....	....	Jack Waite	.04½	....	....	....
1	....	....	Los. Ang. Van.	.12	....	....	....
10c.	.10	.01	Lucky Jim	.02¼	....	....	....
25c.	.56	.01	Kootenay King	.01	.01	.01	.01
2.50	....	....	Marmot Gold	.01	....	....	....
25c.	....	....	Mohawk	.00½	.01	.00½	.01
1	....	....	Montana Mines	.22	....	....	....
1	.13½	.01½	Morton Woosley	02½	.02½	02½	.02½
50c.	.26	.02	National Silver	.02	02½	.02	.02½
50c.	40	.04	Noble Five	.04	.05	.04	.04
50c.	.18	.01	Oregon Cop.	.04	.06	.04	.05½
1	1.75	.75	Pioneer Gold	.90	90	.90	90
50c.	.15	.07½	Porter Idaho	07½	.08	.07	.07¾
None	....	....	Premier Border	.01	....	....	....
1	1.00	.10	Planet Mines	.12	.13	.10	.10
None	1.78	.20	Reeves McD.	.25	.24	.20	.24
1	....	....	Reno Gold	.15	.15	.15	.15
1	.57	02	Rufus Argenta	.03	....	....	....
1	....	....	Silverado	.06	....	....	....
25c.	....	....	Silver Crest	.02½	....	....	....
20c.	.01	.01	Slocan King	.01	....	....	....
50c.	.26	.02	Snowflake	.02	.03	.02½	.03
1	.25	.04	Ruth Hope	.04	.05	.05	.05
1	.01½	.01½	Terminus	....	.01½	.01½	.01½
50c	.06	.01	Topley Rich.	.01¼	.01¼	.01¼	.01¼
5	.30	.25	Toric Mines	.25	....	....	....
20c.	....	....	Wellington	.01¾	....	....	....
1	.24	.05	Whitewater	.05	.05	.05	.05
None	.05	.01	Woodbine	.01	.01½	.01	.01

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Canam Metal	2c.	....	Nipissing	30c	25.86
Cons. Smelters	$12.50	8.38	Noranda	$2	11.42
Dome Mines	$1	12.04	Premier	24c	31.76
Hollinger	65c.	1[illegible].01	Royalite	50c	....
Home Oil	25c.	....	Sylvanite	$2	3.63
Inter. Nickel	$1	5.40	Teck Hughes	60c	10.43
Lake Shore	$1.20+30	7.14	United Oils	5c.	....
McInture	$1	5.68	Wright-Har	5c.	....

SPECIFY
B-A-B-N
Monetary Documents

Bank Notes
Bonds
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Postage and Revenue
Stamps
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63 Years' Experience
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BANK NOTE COMPANY
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CORPORATION Limited
Commercial and Industrial Bankers
Head Office—Windsor, Ontario

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M. HILBORN, C.A.
Chartered Accountants
G. S. HOLMESTED
Trustee in Bankruptcy Proceedings
Offices: McKinnon Bldg., Toronto

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG WINDSOR

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
CLARKSON, McDONALD, CURRIE & COMPANY
TORONTO OTTAWA WINDSOR
and
MONTREAL and QUEBEC
Chartered Accountants
E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
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QUALIFIED ACTUARIES
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Established 1879
Montreal Toronto Winnipeg Calgary Vancouver
10 Adelaide St. East, Toronto
Gerald Jephcott, C.A., Resident Partner

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INDUSTRIAL
ALCOHOL
HIGHEST QUALITY—BEST SERVICE
Ethyl Alcohol—Cologne Spirits, Denatured Alcohol
(ALL-FORMULAE)
We maintain a Technical Service Division which stands ready at all times to co-operate to the best of its ability with the Trade.
Canadian Industrial Alcohol Co., Limited
MONTREAL CORBYVILLE
TORONTO WINNIPEG VANCOUVER

BANK OF MONTREAL

Established 1817

A presentation, in easily understandable form, of the Bank's

ANNUAL STATEMENT

31st October, 1930

LIABILITIES

LIABILITIES TO THE PUBLIC	
Deposits *Payable on demand and after notice.*	$697,395,742.34
Notes of the Bank in Circulation *Payable on demand.*	39,724,450.50
Letters of Credit Outstanding *Financial responsibilities undertaken on behalf of customers for commercial transactions (see offsetting amount [x] in "Resources").*	8,723,863.80
Other Liabilities *Items which do not come under the foregoing headings.*	4,367,780.52
Total Liabilities to the Public	$750,211,837.16
LIABILITIES TO THE SHAREHOLDERS	
Capital, Surplus and Undivided Profits & Reserves for Dividends *This amount represents the shareholders' interest in the Bank, over which liabilities to the public take precedence.*	76,757,700.45
Total Liabilities	$826,969,537.61

RESOURCES

To meet the foregoing Liabilities the Bank has	
Cash in its Vaults and in the Central Gold Reserves	$100,047,419.79
Notes of and Cheques on Other Banks *Payable in cash on presentation.*	41,634,155.54
Money on Deposit with Other Banks *Available on demand.*	35,118,848.74
Government & Other Bonds and Debentures *Gilt-edge Securities practically all of which mature at early dates.*	181,592,610.56
Stocks *Railway and Industrial and other stocks at or below market value.*	1,037,042.59
Call Loans outside of Canada *Secured by bonds, stocks and other negotiable securities of greater value than the loans and representing moneys quickly available with no disturbing effect on conditions in Canada.*	60,921,712.69
Call Loans in Canada *Payable on demand and secured by bonds and stocks of greater value than the loans.*	17,840,690.03
TOTAL OF *QUICKLY* AVAILABLE RESOURCES *(equal to 59.32% of all Liabilities to the Public)*	$438,192,479.94
Other Loans *To manufacturers, farmers, merchants and others, on conditions consistent with sound banking.*	359,703,279.35
Bank Premises *Three properties only are carried in the names of holding companies; the stock and bonds of these companies are entirely owned by the Bank and appear on the books at $1.00 in each case. All other of the Bank's premises, the value of which largely exceeds $14,500,000, appear under this heading.*	14,500,000.00
Real Estate and Mortgages on Real Estate *Acquired in the course of the Bank's business and in process of being realized upon.*	1,803,352.09
x Customers' Liability under Letters of Credit *Represents liabilities of customers on account of Letters of Credit issued by the Bank for their account.*	8,723,863.80
Other Assets not included in the Foregoing	4,046,562.43
Making Total Assets of	$826,969,537.61
to meet payment of Liabilities to the Public of	750,211,837.16
leaving an excess of Assets over Liabilities to the Public of	$ 76,757,700.45

PROFIT and LOSS ACCOUNT

Profits for the year ending 31st October, 1930		$6,519,031.51
Premium on new Stock		51,459.50
		$6,570,491.01
Dividends and interest on instalments paid or payable to Shareholders	$5,047,586.99	
Credited to Rest Account	51,459.50	
Provision for Taxes Dominion Government	459,979.45	
Reservation for Bank Premises	800,000.00	6,359,025.94
		$ 211,465.07
Balance of Profit and Loss 31st October, 1929		735,582.31
Balance of Profit and Loss carried forward		$ 947,047.38

CHARLES B. GORDON,
President

W. A. BOG,
JACKSON DODDS,
Joint General Managers

The strength of a bank is determined by its history, its policy, its management and the extent of its resources. For 113 years the Bank of Montreal has been in the forefront of Canadian finance.

Insurance for Buyer and Seller

CAN. LIFE OFFICERS HAVE FINE RECORD OVER LONG PERIOD

Thirty-sixth Annual Meet Elects H. R. Stephenson President

ACTIVITIES ARE MANY

Twelve Standing Committees Carry on Fine Work in Interests of Life Insurance

Officials of forty-four Canadian life insurance companies, whose assets total approximately $2,000,000,000 and which have in force something over $10,000,000,000 of life insurance, held their thirty-sixth annual meeting in Toronto this week.

The organization which knits these companies together is called the Canadian Life Insurance Officers' Association and since 1894 when it was founded with A. G. Ramsay of the Canada Life as its first president, it has been one of the most important factors responsible for the growth and success of Canadian life insurance companies.

Has Wide Aims

Briefly the aim and object of the association is to "advance the interests of life insurance in Canada by watching over all legislative measures bearing upon the business life of insurance, by promoting uniformity of practice of companies in matters of general administration and by affording opportunity for consultation and co-operation in all matters of general concern to the life insurance business."

This general object is carried on at the present time by means of twelve standing committees composed of officials of member companies, and once a year at the annual meeting the achievements and activities of these committees are reviewed and plans laid for the next year's work. This year's meeting was presided over by W. H. Somerville, general manager of the Mutual Life of Canada, and president of the association during 1929-30. The incoming president is H. R. Stephenson, general manager of the Crown Life Insurance Co. The following are the twelve standing committees of the association with the name of the chairman of each:

Name of Committee and Chairman

Accountants, A. G. Dalrymple.
Aviation Insurance, H. R. Stephenson.
Claims Superintendents, E. L. Earl.
Industrial Insurance, E. E. Reid.
Institutional Advertising, J. F. Weston.
Working Committee, F. T. Stanford.
Insurance Act (Dominion), V. R. Smith.
Working Committee, E. C. Gill.
Investment in Common Stocks proposed (limitation of), L. R. Young.
Investment in Preferred Stocks of Reorganized Companies, L. R. Young.
Joint Committee (composed of representatives of the C. L. I. O. A., the Can. Assoc. of Life Agency Officers and the Life Underwriters Assoc. of Can., A. N. Mitchell.
Medical Examiners Fees, A. N. Mitchell.
Medical Information Bureau, D. E. Kilgour.
Medico-Actuarial, H. C. Scadding.
Public Health, E. E. Reid.
Quebec Legislation, H. W. K. Hale.
Statutory Conditions in Life Contracts and Statutory Definitions, V. R. Smith.
Newfoundland Legislation, V. R. Smith.
Uniform Life Insurance Act, V. R. Smith.

Perhaps the outstanding feature of this association and its work, is the high degree of uniformity attained. That is to say, in almost all matters of considerable importance affecting the life insurance business, the members, through this association, invariably speak as one mind and in this way the whole manner in which the life insurance business is conducted in this country has been on a signally high plane due to the ability of the companies to work together for their common good.

Do Philanthropic Work

Then, too, the companies through their association have been for many years engaged in many philanthropic activities such as are carried on under the public health committee under the chairmanship of E. E. Reid of the London Life. Last year this one committee spent no less than $50,000 of life insurance money in practical efforts to improve the general standard of health among Canadian people, special attention being paid to tuberculosis, child hygiene and so forth.

The following are the new executive officers of the association for 1930-31: H. R. Stephenson, Crown Life, president; G. Cecil Moore, Imperial Life, vice-president; J. H. Lithgow, Manufacturers Life, second vice-president; H. W. K. Hale, Sun Life, hon. sec'y.; W. H. Somerville, Mutual Life of Canada, honorary president. John Appleton is permanent secretary of the association.

The following is a complete list of the presidents of the association since 1894:

Past President of Canadian Life Insurance Officers' Association	
A. G Ramsay, Canada Life	1894-1899
J. K. Macdonald, Confederation Life	1899-1900
W. M. Ramsay, Standard Life	1900-1901
B. Hal Brown, London & Lancashire	1901-1902
Wm. McCabe, North American Life	1902-1903
D. Dexter, Federal Life	1903-1904
T. Hilliard, Dominion Life	1904-1905
David Burke, Royal Victoria Life	1905-1907
J. K. Macdonald, Confederation Life	1907-1910
J. G. Richter, London Life	1910-1911
L. Goldman, North American Life	1911-1912
G. Wegenast, Mutual Life	1912-1913
T. B. Macaulay, Sun Life	1913-1915
Alex. Bissett, London & Scottish	1915-1917
H. C. Cox, Canada Life	1917-1918
C. C. Ferguson, Great-West Life	1918-1919
G. B. Woods, Continental Life	1919-1920
J. B. McKechnie, Manufacturers Life	1920-1921
J. F. Weston, Imperial Life	1921-1922
A. B. Wood, Sun Life	1922-1923
D. E. Kilgour, North American Life	1923-1924
E. E. Reid, London Life	1924-1925
C. S. Macdonald, Confederation Life	1925-1926
T. G. McConkey, Canada Life	1926-1928
T. A. Dark, Excelsior Life	1928-1929
W. H. Somerville, Mutual of Canada	1929-1930

Ordinary Life Insurance Sales*

	1925	1926	1927	1928	1929	1930
January	$30,838,000	$38,907,000	$36,986,000	$47,569,000	$50,575,000	$46,788,000
February	28,698,000	34,744,000	35,525,000	39,962,000	47,443,000	45,499,000
March	35,001,000	40,488,000	42,883,000	44,823,000	49,406,000	50,827,000
April	38,872,000	37,346,000	41,631,000	46,718,000	53,333,000	52,708,000
May	34,377,000	37,702,000	44,553,000	49,581,000	51,283,000	50,085,000
June	42,307,000	44,634,000	45,298,000	51,844,000	54,700,000	55,855,000
July	37,671,000	40,101,000	39,962,000	49,492,000	56,078,000	47,829,000
August	31,724,000	36,010,000	38,360,000	48,503,000	42,468,000	37,061,000
September	33,543,000	34,878,000	35,000,000	38,872,000	43,911,000	39,643,000
October	36,259,000	40,226,000	48,104,000	55,743,000	52,985,000	46,019,000
November	36,760,000	44,251,000	44,935,000	54,865,000	56,673,000	....
December	41,822,000	46,777,000	48,899,000	56,647,000	55,350,000	....

Total 1st 10 months, 1930	$471,314,000
Total 1st 10 months, 1929	$502,182,000
Decrease	$ 30,868,000
Decrease, October, 1930, from October, 1929, 13%	$ 6,966,000

*Companies having in force 84 per cent of total outstanding business in Canada. New, ordinary business only. Figures include both Canada and Newfoundland and are prepared by Life Insurance Sales Research Bureau, Hartford, Connecticut.

Life Men Heed Volume Urge Too Strongly

The tendency among life insurance companies in this country to lose their perspective and strive after increased business rather than to pay attention either to the cost at which this business was obtained or the prospect of its permanency, was severely criticized by W. H. Somerville, general manager of the Mutual Life of Canada, and president of the Canadian Life Officers Association at the annual meeting of that body last week.

"It is quite possible that the comparative ease with which it was possible to report the annual increased writings of the past few years has distorted our perspective as to the real value of volume in new business considered by itself. Perhaps some recession in new business may result in our placing a proper valuation on it. New business is desirable only when it is obtained at proper cost, when it has the prospect of permanency, and when it will benefit existing policyholders. It is then good for the company, and for the general public welfare. I believe that those who are intimately associated with the conduct of our life companies are paying less attention to volume of business written, and are concerning themselves more with cost, and quality; and there was room for revision of views in this direction.

"In life insurance, as in art or literature, it is only quality work which endures and is of lasting benefit; and it is very doubtful if it is sound business to unduly press for large sales in a period when business is not too good, and when people haven't the money to pay for it."

Canadian Units Benefit Grand-Silver Stores

From Our Own Correspondent

MONTREAL.—Through the acquisition of the 52 Canadian units of Metropolitan Stores, Ltd., earnings of F. & W. Grand-Silver Stores has been substantially increased and record per share earnings for 1930 are expected. The company recently declared an extra dividend of 1 per cent in stock.

In addition to the Canadian units, the company operates a chain of 92 stores in the larger cities in the United States.

Manitoba Butter Production

During the first nine months of the calendar year creamery butter made in Manitoba showed an increase in output of one and a half per cent over last year.

INSURANCE SALES HOLDING UP WELL DESPITE SETBACKS

Western Sales Off 20 Per Cent; Other Areas Stronger

For the first time in many years the four western provinces of Canada went into the "black" for October, the volume of business written in that month being under 80 per cent of the same figure at this time a year ago. In spite of this, however, the good showing made by Ontario, which paid-for $18,723,000 of new ordinary business during the month, or only 4 per cent less than at this time a year ago, brought the total figure for Canada and Newfoundland up to $46,019,000 which is a decline of only 13 per cent from the $52,985,000 of business written in October, 1929. The figures are compiled by the Life Insurance Sales Research Bureau. And include new paid for ordinary insurance of 15 Canadian companies which at Jan. 1, 1930, had in force 84 per cent of the total business in Canada.

For the first ten months of 1930, however, the record shows remarkable strength. In this period sales are only 6 per cent lower than for the first ten months of 1929, which indicates that life insurance sales are holding up as well if not better than any other of the accepted indicators of business.

The following table shows the record for each province during October with the percentage ratio that this figure bears to the business written in October, 1929:

	October Sales	Oct. Ratios 1930 to 1929
Alberta	2,412,000	77
Br. Columbia	3,028,000	79
Manitoba	3,012,000	77
N. Brunswick	1,191,000	92
Nova Scotia	1,357,000	87
Ontario	18,723,000	96
P. E. I.	212,000	108
Quebec	12,948,000	87
Sask.	2,642,000	63
Newfoundland	494,000	141
Total	46,019,000	87

It will be seen that sales have slumped most in Saskatchewan, which is a very natural result of the drastic decline in purchasing power due to the slump in grain prices. Looked at from the long term view, however, it is altogether likely that the business now being placed in the West will prove more likely to stay on the books of the companies and less likely to lapse, than the business placed there at this time last year. This is only conjecture of course and the answer will not be known fully until the next crop is harvested.

It is known however that much of the business paid for and a very large amount of the business written last year in the West has never passed the initial premium stage, whereas in all probability the type of business being placed there now, will be fairly well placed and should give a better account of itself, especially if the yield and price of next year's crop proves more satisfactory.

City Returns Differ

One interesting feature about the October figures is the difference in returns of the seven Canadian cities for which data are available. During October, Toronto made the best showing with 114 per cent of the October, 1929 figure, while three other cities, namely Hamilton, Montreal and Ottawa, all exceeded their record made in the same month a year ago. Quebec shows the most drastic decline, sales in that city being only 59 per cent of sales in October, 1930.

It is interesting to note that business written in the United States during October also declined 13 per cent from the same figure a year ago. This indicates a position exactly similar to Canada, although in the U.S.A., total business for the first ten months of the year is down only 2 per cent from 1929 whereas in Canada there is a decline of 6 per cent to date.

B. C. Bond Dealers Elect Officers

E. B. McDermid, managing director of Royal Financial Corp. was elected president of the British Columbia Bond Dealers' Association at the annual meeting held in Vancouver recently. Col. A. M. Brown, manager of Victor W. Odlum, Brown & Co., was appointed honorary president, and C. G. Fullerton, of A. E. Ames & Co., was elected vice-president.

Executive members from Vancouver are: Brigadier-General V. W. Odlum; E. P. Smith, of Pemberton & Sons, Vancouver, Ltd.; and P. Whitehead, of Pacific Stock & Bond Corp. Members of the executive from Victoria will be elected at a later date.

Vancouver Firm Gets Contract

A Vancouver electrical supply firm has been awarded a $100,000 contract to string 30 miles of power line on about 1,000 poles for a new power development project on Vancouver Island.

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The Monarch Life Assurance Company
Good Openings for Salesmen — Apply, Head Office — WINNIPEG

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE, WASHINGTON
HEAD OFFICE FOR CANADA: HAMILTON, ONTARIO
Writing Fire and Automobile Insurance at Cost
Assets $4,784,342.81
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BRANCH OFFICES:
Toronto, Ottawa, Vancouver, Victoria, Edmonton, Calgary, Saskatoon, Winnipeg, Montreal, Quebec City, Saint John, Halifax and Charlottetown

ESTABLISHED 1872
SENECA JONES & SON
HOME OFFICE: HAMILTON, ONTARIO
CANADIAN GENERAL AGENTS FOR
Fidelity American Insurance Company
Mill Owners Mutual Fire Insurance Company
INQUIRIES FROM WELL-ESTABLISHED AGENCIES INVITED
COAST TO COAST SERVICE

Life Companies Lagging In Advertising Efforts

That the advertising now being carried on by Canadian life insurance companies is entirely out of line with what other business are doing was one of the chief arguments presented before the Canadian Life Officers' Association at their annual meeting in Toronto last week by the association's committee on institutional advertising.

A check-up shows that life insurance advertising published during 1929 in a representative daily paper (including that of individual companies as well as co-operative advertising) amounted in the aggregate to less than 80,000 lines. During the same period, theatres used in the same newspaper 488,000 lines; confectioners and candy dealers used 107,000 lines; tobacco manufacturers used 103,000 lines; hairdressers used 127,000 lines; cleaners and pressers used 127,000 lines; furniture dealers used 1,154,000 lines; furriers used 580,000 lines; men's clothiers used 580,000 lines; women's clothes used 767,000 lines, radio manufacturers and dealers used 557,000 lines; the automobile trade used 1,438,000 lines.

"While conceding that the sale of life insurance is inherently different from the sale of articles of daily necessity, creature comfort or personal adornment," says the report of the working committee, headed by F. T. Stanford of the Canada Life, "your committee contends that it is a merchandising problem comprising the fundamental factors common to the selling of all commodities or services and that as such a problem it lacks adequate advertising support.

"In other words, we believe general advertising can and should be used to a greater extent to disseminate life insurance knowledge among the public in the mass, which work to a large extent has, heretofore, been left to the personal contact of life insurance salesmen with their respective insurers individually. It is obvious that the personal contact method of instilling an appreciation of life insurance into the minds of those from whom we seek our business is a slow and expensive process of making the great mass of the people 'insurance-minded.'

"The most effective support that can be given life insurance salesmen lies in increased co-operative advertising."

During 1929 the association through its institutional advertising committee spent $50,000 providing for the publication of ten 800 line advertisements in each of 72 daily newspapers. These advertisements appeared every month with the exception of July and August. At the first of the year the campaign included an additional series of advertisements in the farm journals of Canada but due to lack of funds this was abandoned in 1929 after three months. This year the committee secured an additional $25,000 to be appropriated for the purpose of continuing and enlarging the educational campaign of life insurance advertising in farm publications.

It was also announced that the new advertisements for 1931 in the daily papers, while continuing the general theme of the institutional effort, would be altered and improved along lines peculiarly appropriate for the coming year.

Alberta May Decline to Open New Gas Field

From Our Own Correspondent

CALGARY.—The scheme for piping natural gas from Alberta to Regina, Saskatoon and other cities of Saskatchewan, is not, after all, going to provide a solution for the problem of the natural gas which is now going to waste in the Turner Valley field. The expert appointed by the cities, whose report has been accepted by them, has rejected the idea of making use of the Turner Valley field, on the ground that the continuance of supply from that field was not sufficiently assured to justify investment in a long pipe line. He has recommended instead the exploitation of a field in the north central part of the province, from which gas is not now going to waste and which has been regarded as a reservoir of future supplies for the city of Edmonton.

The question has not yet been settled. The Government of Alberta, now in control of the natural resources of that province, will have to give its consent to exportation of gas from the field in question. There will be pressure on them to refuse,—from the city of Edmonton, which will want to keep those supplies in reserve, from the coal mining interests of the province who do not want to see a large part of their market destroyed, and from the oil interests of the Turner Valley, who want a market for the gas now going to waste.

Alberta is amazingly rich in fuel resources, available in quantities far in excess of current markets. Whatever decision it ultimately reaches, the Government will doubtless think twice before consenting to opening up a new source of supply.

LAURA SECORD MEET IS QUITE ROUTINE

Quarterly Statements Will Replace Monthly Figures

Quarterly earnings statements for Laura Secord Candy Shops, Ltd., in place of monthly statements as published heretofor were proposed by directors and approved by shareholders at the annual meeting of the company held recently. Balance sheets and sales figures may be issued with these quarterly reports, it was stated. The corrected sales figure for the year ended September 30, 1930, is $2,166,650.

The meeting was routine in character and directors of the company were all re-elected. The annual report of the company made public some time ago showed net earnings of $6.56 per share on the 57,464 shares of common stock as compared with $7.22 per share in 1929 on 41,003 shares. While gross sales for the year were below those of 1929 the net profit available for dividends was $379,754, in 1930, or only $11 less than the previous year.

Fire Companies Face 10 % Income Drop

A ten per cent decline in premium income to which must be added fire losses about on a par with 1929, is the situation facing fire insurance companies in Canada, as 1930 draws to a close.

Last year the premium income of Dominion licensed companies was approximately $56,000,000, while losses for the year were $30,209,000 making a loss ratio on the basis of premiums written and losses incurred, of 53.84 per cent. Assuming therefore that premium income is down 10 per cent and that there is little or no reduction in the amount of losses incurred, there would be a loss ratio of between 58 and 60 per cent in prospect for 1930.

One satisfactory feature of the situation is that toward the close of 1929 there were a series of serious fires in Canada which made heavy inroads into losses. If these are not encountered this year the final result may possibly show smaller losses during 1930 than in 1929, although up till now the reverse has been the case.

Bridge Companies Share Contract in Vancouver

From Our Own Correspondent

MONTREAL.—Hamilton Bridge Co. in addition to sharing a $600,000 contract with Dominion Bridge Co. for the fabrication and erection of steel for a bridge in Vancouver has also secured a contract to fabricate the steel work for a bridge across the Humber River in Toronto.

Value of the contract is estimated at $60,000.

List Additional Brazilian Shares

MONTREAL.—There will be listed on the Montreal Stock Exchange on official notice of issuance, 127,226 additional ordinary shares of no par value of Brazilian Traction Light & Power Co.

Study the Companies In Which You Invest

A complete picture of any Canadian company can be had in a company analysis prepared by The Financial Post Corporation Service.
Each review gives complete and accurate information about a company and the information is kept up-to-the-minute by news cards sent out immediately upon announcement of any item of interest.
You may secure a special service on the following companies, or any others selected, at the attractive rate of $12 a year for 10 companies; additional companies above 10, pro rata:
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Power Corporation of Canada, Limited.
Brazilian Traction, Light & Power Company, Limited.
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A number of leading men think many stocks are now low priced and offer admirable possibilities. Secure a service on the companies in which you are interested and be in a position to judge such stocks for yourself. Fill in the coupon and send it in today.
ONLY $12 A YEAR FOR 10 COMPANIES
Additional companies pro rata
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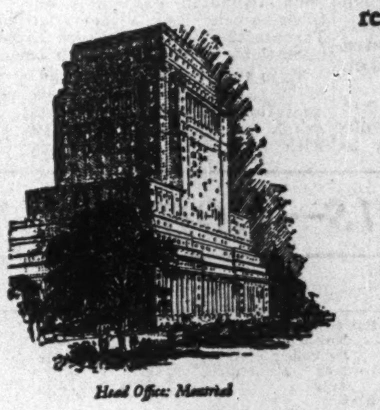
143 University Avenue,
Toronto,
Please send me postpaid yearly service on the attached list of .... companies. I enclose cheque for $.......... in payment, at the rate of $12 for 10 companies, with additional companies pro rata.
....
....

Life Assurance is the Backlog of the Home!

You know—the timber at the back of the fireplace, against which the lighter fuel is piled and the fire is built—reflecting and increasing the comfort of the blaze—holding and radiating welcome heat when other fuel has been consumed. The backlog is what must first be secured. It remains when everything else disappears.
That is what the soundest financiers call life assurance—a Backlog! Bonds, mortgages, stocks, savings, building and loan shares—all desirable—but secondary. By life assurance an estate can be created outright. It is unaffected by market fluctuations. It is impregnable. In the Sun Life of Canada, life assurance is not only a sure bulwark against death or disability—it is a profitable form of investment.
The Sun Life of Canada has an appropriate policy to cover every need
SEE A SUN LIFE MAN



Head Office: Montreal

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Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
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THE ONTARIO LOAN AND DEBENTURE CO.
LONDON 59 Years in Business CANADA
Capital, $2,000,000 Reserve Fund, $2,000,000
The Company's Debentures are a legal investment for Trust Funds which may also be deposited in the Company's Savings Department.
Money loaned on First Mortgages, including building loans. Applications invited.
A. M SMART, *President.* T. H. MAIN, *Manager.*

Operating in Ontario, Manitoba, Saskatchewan, Alberta and British Columbia.
FIRE AUTOMOBILE WINDSTORM
Insurance in force $180,000,000.00
Assets over 2,700,000.00
Agents required in Ontario.
Write 410 Manning Chambers, Toronto.
THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

The Ontario Equitable Life & Accident Insurance Co.
S. C. TWEED, *President*
Head Office
WATERLOO, ONT.
Insurance in Force $52,460,013
Assets 7,323,146
Policy Reserves 5,547,433

PRUDENTIAL
ASSURANCE COMPANY LIMITED, of LONDON, ENGLAND
ESTABLISHED 1848
Assets Exceed $1,000,000,000
Licensed For Life, Fire and Casualty Insurance
Investments in Canada exceed $35,000,000
Head Office for Canada—Dominion Square Building, Montreal
WESTERN BRANCH: Huron & Erie Building, Winnipeg

THE CANADA NATIONAL FIRE INSURANCE COMPANY
Head Office: WINNIPEG
Toronto Office: 205 Brock Building
Walter J. Steer, Branch Manager
President, J. B. Coyne, K.C., Winnipeg, Man.
1st Vice-President, T. S. McPherson, Victoria, B.C.
2nd Vice-President, Allan S. Bond, Winnipeg, Man.
Applications for Agencies Invited

IMPERIAL GUARANTEE AND ACCIDENT INSURANCE COMPANY
FIRE · MARINE · AUTOMOBILE · ACCIDENT · SICKNESS · BURGLARY · GUARANTEE
ESTABLISHED A.D. 1905

WITHOUT MEDICAL EXAMINATION
The "EXCEL POLICY" for $3,000 may be obtained by healthy men, ages 15 to 45, *without medical examination.*
BENEFITS
$3,000 at death (natural causes)
$6,000 at death (accidental)
$30.00 per month if totally disabled plus $3,000 at death.
RATES for $3,000 Policy
Age Rate
20 .... $ 52.05
25 .... 58.14
30 .... 66.00
35 .... 76.75
40 .... 91.35
45 .... 110.85
EXCELSIOR INSURANCE LIFE COMPANY
"A Strong Canadian Company"
HEAD OFFICE :: TORONTO
Mail this coupon today
EXCELSIOR LIFE INS. CO.,
206 Excelsior Life Bldg., Toronto 2, Ont.
... me full information about your "EXCEL POLICY", without medical examination.
Age..........
Name..........
Address..........

"Here's How I'm Fixed"—
"If I live to old age I'll be able to enjoy a well-earned rest.
"If I should die earlier my good wife will have an income for life.
"If accident or disease lays me aside permanently before I'm sixty or even for a period of three months or more, I get a monthly cheque until I get better.
"If, later on, I urgently need cash, The London Life will lend me money.
"If my circumstances change I can adjust my policy to suit, without even medical examination.
"How's that for real life insurance protection?
"The cost? Why, it actually works out at less than 2%, because the premium is only $202.00 a year for $10,000 protection and the annual dividends reduce this considerably.
"*It certainly is different* and I'm glad I've got it!"
* * *
When interested in life insurance ask the London Life representative for a Jubilee Policy. It is the kind described above and he is the only man who can give it to you.
London Life Insurance Company
"Canada's *Industrial-Ordinary* Company"
HEAD OFFICES · LONDON, CANADA
Policies "Good as Gold"

Current Events in the Banking World

IMPERIAL PROFITS OFF 8.8 PER CENT; POSITION IMPROVES

First of Bank Statement Reflects 1930 Business

CURRENT LOANS DROP

But Bank Improves Liquid Position Accordingly—Many New Branches Opened

A decline in profits of 8.8 per cent is indicated by the annual report of the Imperial Bank, issued last week. This is the first yearly report of the large Canadian banking institutions to make its appearance, and is of particular interest as indicating in some measure what may be expected from the other bank statements which will appear subsequently. The Imperial showed earnings of $20.34 per share on its capital stock which compares with $22.31 earned in 1929 and $20.85 earned in 1928. With the exception of these two years, the 1930 earnings are the highest ever shown by the bank.

Net profits for the year are shown as $1,424,081 as compared with $1,561,562 in 1929 and $1,459,472 in 1928. After appropriating $210,000 to shareholders by way of dividends and bonus; writing off $150,000 for taxes, $42,500 for pension and $300,000 written off bank premises, there remains $21,581 to be added to surplus which now stands at $740,545.

As a reflection of declining business activity in Canada, and the slump in commodity prices which requires considerably less banking accommodation, the bank shows a drop of about 16.5 per cent in Canadian current loans, the 1930 figures standing at $66,846,000 as compared with $80,034,000 at this time a year ago. This contraction is also reflected in the fact that "Immediately Available Liquid Resources" or quick assets are over $8,000,000 higher than last year, indicating that the bank had as at October 30, 1930, this much more money on hand which was not at the present time being absorbed by industry and which was being held in liquid form to meet any needs arising from increased business activity. The most significant increase in these quick assets was in call loans abroad which were up from $750,000 a year ago to $6,000,000. The latter is apparently a more normal figure since with the exception of 1929, call loans abroad as shown in the bank's annual statement have ranged from $4,500,000 to $6,500,000 each year.

Many New Branches

A comparatively active year in the building of new bank branches, is indicated by an analysis of the company's "Bank Premises" account which shows a net gain for the year of $25,900 even after $300,000 had been written off from profit and loss. In other words the company's report indicates that some $326,000 has been spent during the year on new bank premises as compared to $280,900 in the previous year; $1,542,800 in 1928 when the company purchased a valuable property at Bay and King Streets, Toronto; and $318,700 in the previous year. During the year the bank opened eight new branches, of which four were in Toronto and four were in other parts of Canada. In addition to these eight branches, the bank also has two other branches about to be opened within the next week or two, both of which are in Toronto.

The proportion of the banks "quick assets" to its public liabilities stands at 55.6 per cent this year as compared with 49.55 per cent in 1929 and 66 per cent in 1928. The 1929 ratio was unusually low due to the large volume of unexported wheat against which the banks were forced to carry loans at this time last year.

The bank's savings deposits show a decline of only 2.8 per cent as compared with a year ago. This is a satisfactory showing in view of the fact that as at September 30, 1930 (latest figures available) the returns of all Canadian banks showed a decline of 3.6 per cent as compared with 1929. An even more interesting analysis is a comparison of the relative change in savings deposits as compared with 1927. Returns for all Canadian banks show that as at September, 1930, savings deposits were back at the same level as at September 30, 1927, whereas the Imperial statement shows savings deposits as still $8,000,000, or nearly 10 per cent higher than at the same period in 1927.

Another interesting reflection of current business conditions as found in the bank's statement, is the item "Letters of Credit" which gauges very closely the volume of foreign trade handled through the bank's various branches. Letters of credit as at October 31, 1930, stood at $872,488 on the Imperial statement, which is a decline of 48 per cent from the figure of $1,716,298 shown a year ago. The 1930 item is back approximately to the 1927 level, as shown by previous bank statements.

A detailed analysis of the bank's statement is as follows:

GENERAL STATEMENT
As at October 31

Immediately Available Liquid Resources Assets—	1930 $	1929 $
Specie	1,023,293	981,828
Dom. notes	10,616,326	8,362,185
For. currencies	125,161	112,495
Dep. in central gold res.	1,250,000	3,250,000
Due by for. banks	3,605,597	320,938
Govt. secs.	15,908,512	16,479,243
Call loans abroad	6,000,000	750,000
	38,528,889	30,256,689
Loans and Securities Other Than Those of Canadian Government		
Public secs.	4,237,124	4,459,053
Railway secs.	2,103,616	217,609
Can. call loans	11,851,444	11,171 454
Can. curr. loans	66,846,171	80,034,841
Loans to municipalities	6,199,123	6,609,825
Loans to prov. govts.	479,166	17,970
	91,716,643	102,510,252
Due From Other Banks		
Notes of other banks	507,865	578,460
Cheques of other banks	8,621,745	11,629,555
Due by other banks	616,387	613,022
	9,745,997	12,821,037
Other Assets		
Non-current loans	176,344	116,610
Real estate	111,549	118,930
Mortgages	539,175	569,747
Letters of credit	872,488	1,716,298
Bank premises	5,989,641	5,963,724
Dep. re circ. fd.	374,491	363,584
Other assets	115,246	143,915
	8,178,934	8,992,808
Total assets	148,170,463	154,580,786
Liabilities		
To the Public		
Notes in circulation	8,592,825	10,117,078
Deposits by the public:		
Demand dep.	20,970,310	26,878,938
Savings dept.	93,320,934	96,026,514
	114,291,244	122,905,452
To banks abroad, etc.:		
United Kingdom	160,714	40,758
Foreign	4,242,578	1,213,875
Letters of credit	872,488	1,716,298
	5,275,780	2,970,931
To Canadian banks	3,990,197	2,586,712
		138,580,173
To Shareholders		
Dividends	280,372	281,650
Reserve	8,000,000	8,000,000
Capital	7,000,000	7,000,000
Surplus	740,545	718,964
	16,020,917	16,000,614
Total liabilities	148,170,463	154,580,786

INCOME AND SURPLUS ACCOUNT
Years Ended October 31

	1930 $	1929 $	1928 $
Net profits*	1,424,081	1,561,562	1,459,472
Less appropriations:			
Dividends	840,000	840,000	840,000
Bonus	70,000	70,000	70,000
Taxes	150,000	160,000	160,000
Pension fund	42,500	42,500	42,500
Writ. off prem.	300,000	350,000	500,000
Surp. for yr.	21,581	99,062	§153,028
Add: Prev. surp.	718,964	619,902	1,272,930
	740,545	718,964	1,119,902
Less: Trans. to res. fund	....	....	500,000
Surp. carr. fwd.	740,545	718,964	619,902

*After deduction of management charges, auditors' fees and interest due depositors, and after making provision for bad and doubtful debts and for rebate of bills under discount.

§Debit for year after dividend payments and other appropriations.

BANK CHAT

The Bank of Nova Scotia reports that T. W. CALDWELL has been appointed accountant at Pictou, N.S.

The Bank of Montreal reports that:

F. A. MURRAY, formerly manager at Kerrisdale has been appointed to Kamloops as manager.

C. C. WATSON, formerly manager at Raymond has been appointed to Wetaskiwin as manager.

The Canadian Bank of Commerce announces the following appointments:

J. C. WRIGHT, formerly manager at Elm Creek, Man., appointed manager at Grandview, Man.

F. I. ATKINS, formerly accountant at Portage and Garry branch, Winnipeg, appointed manager at Kelvin Street, Winnipeg.

W. H. R. SAVAGE, formerly manager at Grandview, Man., appointed manager at Portage La Prairie.

The Kitchener Bankers Lecture Club held its first meeting of the 1930-31 season last week, some 150 bankers from the county of Waterloo attending. J. H. Kennedy, general manager of Malcolm & Hill, Ltd., addressed the bankers by giving a resume of his banking experience in four countries, with special reference to the diversity of the bank's foreign business.

The East Coulee, Alta., sub-agency of the Canadian Bank of Commerce has been established as a sub-branch under the supervision of the Drumheller manager.

Weekly Bank Clearings

Eastern Cities

	Nov. 21, 1929	Nov. 20, 1930
Halifax	$ 3,063,458	$ 3,900,028
Saint John	3,239,997	2,300,017
Moncton	1,344,630	858,592
Sherbrooke	1,194,829	922,424
Montreal	194,113,679	127,643,747
Kingston	1,095,364	789,074
Peterboro'	983,852	1,120,737
Toronto	177,443,862	113,421,671
Hamilton	7,768,887	5,920,114
Kitchener	1,627,664	1,353,182
Brantford	1,589,425	1,233,955
London	3,927,474	3,181,511
Chatham	987,071	903,942
Windsor	5,955,858	3,669,872
Sarnia	....	660,532
Sudbury	....	992,618
Ottawa	10,967,967	8,818,049

Western Cities

	Nov. 21, 1929	Nov. 20, 1930
Fort William	$ 1,609,798	$ 910,550
Winnipeg	83,315,492	61,900,889
Brandon	787,002	609,805
Moose Jaw	1,780,783	1,135,414
Saskatoon	3,805,877	2,900,493
Prince Albert	....	494,265
Edmonton	7,445,135	6,883,102
Calgary	15,410,814	9,401,347
Medicine Hat	635,394	381,192
Lethbridge	607,469	607,009
Regina	....	6,981,532
Vancouver	24,372,861	19,161,800
Victoria	2,871,196	2,108,851
New Westminster	943,382	769,470

Savings Deposits in Canada Drop $100,000,000 in 3 Years

That the stock market crash and the business depression of the past twelve months have cut approximately $100,000,000 from the savings deposits of Canadians in the chartered banks, is the most important conclusion to be drawn from analysis of the deposit items of the returns of chartered banks during the past five years, made by The Financial Post.

Just three years ago the savings of Canadians on deposit in the chartered banks amounted to $1,406,000,000. This total steadily increased during 1928 and then again in 1929, reaching a peak of $1,518,000,000 for a gain of 8 per cent, as at the end of February, 1929. Today, however, that gain of $112,000,000 has almost entirely disappeared, with the result that as at October 31, 1930, according to the latest bank statement, savings deposits of chartered banks in Canada are now back to within $13,000,000 of the 1927 figure, and the $100,000,000 increment of the intervening period has therefore been wiped out.

Total Deposits Lower Also

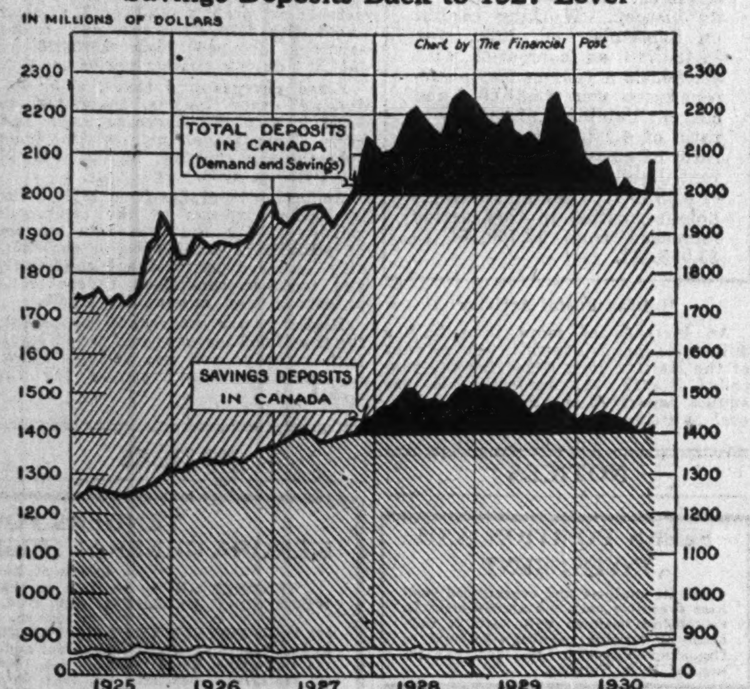
A somewhat similar condition is indicated by the total of both demand and savings deposits in Canada during the same period. Analyzing the returns as at August 30, 1930, it is found that the total of both these items is $2,002,000,000, which is within a few million dollars of the corresponding item on September 30, 1927. During this three year period, however, the general level of demand and savings deposits in Canada had risen between $150,000,000 and $200,000,000, the all-time peak having been reached during October, 1929, when the total reached $256,000,000 or 12½ per cent above the level as at the end of September, 1930, only to drop with very considerable sharpness during the subsequent twelve-month period.

This situation is graphically shown in the chart prepared by The Financial Post and reproduced on this page. The heavily shaded area shows clearly the peak of savings that has been wiped out by the business and stock market decline of the past year.

Although a net loss of approximately $100,000,000 in savings deposits has occurred over a period of a year and a half, which a decidedly serious matter, it must be remembered that when taken in relation to the sum total of all savings deposits in Canada, it is a loss of only 6.5 per cent. That this loss was not greater is probably due to the fact that most losses met on the stock market were paper losses, and did not accordingly, cut too far into the accumulated savings of the Domnion.

Looking to 1931, it seems quite improbable that the rate of increase in savings that took place during the year 1925 to 1929 will be continued. In the first place reduced earning power will tend to retard the amount of new money that will be placed on deposit in the banks, while in addition the exigencies of the present depression will probably deplete to some degree the present savings fund during the coming winter and in 1931.

Savings Deposits Back to 1927 Level



The way in which a cool $100,000,000 has been lopped off the total of Canadian savings deposits in chartered banks, during the past year and a half, is graphically shown in the above chart. The total of demand and savings deposits has also declined sharply as indicated in the top line of the graph.

Canadian Bank Clerks Fortunate to Hold Jobs During Depressed Period

Experience of Those Who Have Migrated to U.S.A. Draws Sharp Contrast as Rationalization Hits U.S.A. Banks

By J. H. SIMPSON, Seattle, Wash.

Canadian brains were welcomed in the United States in 1928 and 1929 but 1930, as is well known, has witnessed a complete about-face; jobs are no longer crying out for men—men are crying out for jobs.

In the U.S. banks, so far as I know, the recent emigré from Canada is in no worse condition than those of his American confrères who have no "influence." This condition, however, as I shall endeavor to show, is unsatisfactory enough and, knowing the Canadian bank clerk's passive dissatisfaction with his lot, his lack of appreciation of the security which he enjoys and his uninformed and exaggerated ideas as to the heights he might attain could he only "make up his mind to quit," I feel it important that he be disillusioned on the subject, of the American mecca for bank clerks.

The American banks treat their staffs exactly as do other employers of labor in the United States. No better and no worse. Which is to say that when times are good the payroll goes up, when they are bad it goes down. Under prosperity men are easily hired, under depression they are easily fired. This brings us to rationalization, the latest wrinkle in economics.

Rationalization Holds Sway

Rationalization in an industry is simply combination to reduce expenses, eliminate waste and control production. It is a necessary development of the time and bids fair to cure all existing evils except the greatest evil, unemployment. Rationalization, in fact cannot help but increase that evil.

Rationalization, in its application to American banks, is doing these things: It is bringing about more and more mergers. It is discouraging the opening of new banks of small capital to replace those that fail ("normally" about 500 banks fail each year in the United States). And it is driving the small, unprofitable current account customer out on to the street by increased service charges.

The effect of mergers on the staffs of the institutions concerned is well and painfully known. In the United States the guillotine is used right and left. In Canadian bank mergers, so far at least, the staffs have been treated exceptionally well although with the best will in the world on the part of head office promotion has been halted.

Shrouded in Mystery

The fate of employees of failed banks in the United States is shrouded in mystery. To some extent they seem to have swelled the army of forgers and "n.s.f. cheque artists" that infest the country but in the main—the great majority of the banks concerned being small institutions—they passed easily, I imagine, into other fields of legitimate endeavor such as truck-driving and operating midget golf courses. Few of them profited by the opening of replacement banks and therefore the lessening number of new openings is not affecting, in itself the banking fraternity.

These factors are understood, but not so clearly understood is the effect of the increased service charges. In the city of Seattle, for instance, there is a movement afoot at the present time to raise the minimum current account balance requirement from $100 to $200 and coincidently the minimum service charge to $1 flat. Now it is a fact that the reduction of commercial and financial activity has very much lightened the load, particularly in the routine departments of the banks, and I foresee the present reduction in turnover per account matched by a similar reduction in the number of accounts. For the fact remains that the average American cannot afford to carry $200 in his checking account, nor can he afford to pay $12 a year as an alternative.

Current Accounts Popular

To understand the situation you have to visualize the extent to which current account facilities have been extended in the Republic. The majority of stenographers and clerks have checking accounts as have a very large proportion of manual workers. In my own office "labourer" is frequently seen on the "occupation" line of the specimen signature cards and the other day, in running through a ledger, I observed one man's occupation given as "dishwasher." And these, mind you, are the people for whose service the huge American current account facilities have been built up! In the days of easy prosperity they were carried for a nominal fee—often they were carried free, but now, when their ability to carry adequate balances is lessened, the charge is increased. And increased it must be.

That is where Rationalization comes in. The banks can no longer afford to carry these accounts at a loss. And as accounts are lessened in number, staffs will be lessened in number.

Many of these people, of course, will transfer to the savings departments. But savings departments in the United States are not subject to cheque and a skeleton staff can operate them. Here we have an interesting comparison with the Canadian system.

Canadians Not So Affected

The issuance of cheques on savings banks has been considered, rightly, a great evil. But to the extent that the privilege has reduced the number of current accounts in Canadian banks, as compared with American banks, the evil is now going to do good. At least to the staffs. For, as I see it, the unit of work will not decrease as much in Canadian banks as it will in American ones and the Canadian banks will have less temptation to depart from their traditional custom of carrying their staffs through lean times without any more drastic retrenchment programme than a "passing" at increase time.

And when the Canadian bank clerk this or next year sees increase time come and, without stopping, go, he can, and he should, console himself with the fact that, at least, he has a job.

STANFIELDS SOLD TO NEW COMPANY OF SAME NAME

Shareholders Approve Deal to Reorganize Capital Structure

From Our Own Correspondent

MONTREAL. — Shareholders of Stanfields, Ltd., Maritime textile manufacturer, have approved a plan to sell the company to a new organization of the same name. Completion of the deal is expected by the end of the year.

Shareholders will receive one 6 per cent preferred share of $40 par value and one share of no par common of the new company in exchange for each old share held. In addition, cash assets will be distributed and it is expected that each shareholder will receive about $150 in cash for each share held as well as his new stock.

Paid $16 Dividend

Present capitalization of Stanfields, Ltd., comprises 10,000 shares of no par value on which a dividend of $6 is paid. The new company will have a capitalization of 10,000 shares of 6 per cent preferred and 12,000 shares of no par value common. It will also have power to issue not more than $500,000 in bonds.

The offer of the new company was for purchase of the physical assets of Stanfields other than cash assets. Cash assets at Dec. 31, 1929, amounted to $1,870,005 and distribution of these assets among shareholders will result in the disbursement of over $150 a share.

The new company will carry on in Truro as in the past and the directorate will include some of the directors of the old company.

Frank Stanfield, president of the company, has been appointed Lieutenant-Governor of Nova Scotia, an occurrence which is thought to have been largely responsible for the present reorganization.

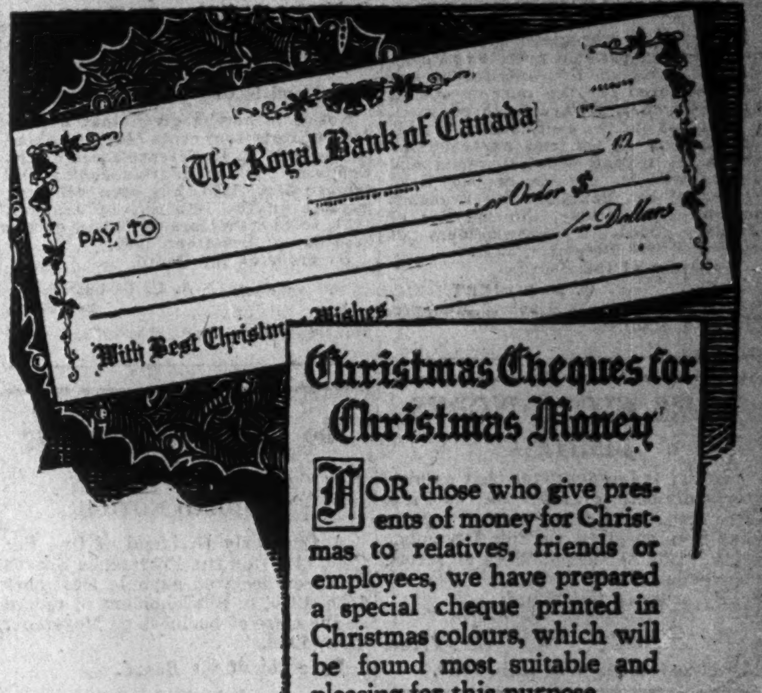
ANDIAN NATIONAL DECLARES DOLLAR

Brings Total Payment in Current Year to $2 Per Share

Declaration of a dividend of $1 per share on the 2,550,000 no par value common shares of Andian National Corp. brings the total payment to shareholders of that company during the current year to $2. In December, 1929, stock dividend of 20 per cent was declared in addition to a cash dividend of $1 and a cash dividend of $1 per share were paid in June, 1930.

The current dividend is payable January 2 to shareholders of record December 15. The company has not yet determined any fixed dividend rate and does not issue any annual statement.

Revenue is derived from operation of a 10-inch pipe line for the movement of oil from Barranca-Bermeja to Cartagena Harbor in Colombia. In addition to the pipe line, collecting lines and terminal facilities, the company has a concession to load and unload all maritime traffic in Cartagena Harbor at specific rates.



Christmas Cheques for Christmas Money

FOR those who give presents of money for Christmas to relatives, friends or employees, we have prepared a special cheque printed in Christmas colours, which will be found most suitable and pleasing for this purpose.

You will find a supply of these cheques for your use on the desks in each of our branches.

Money for Christmas is ALWAYS an acceptable gift.

The Royal Bank of Canada

Dominion Bridge Co.
LIMITED
Montreal, P.Q.

Engineers, Manufacturers and Erectors of Steel Structures

HEAD OFFICE and WORKS:
Lachine Locks, P.Q.
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Sales Offices: Montreal, Ottawa, Toronto, Winnipeg, Regina, Edmonton, Vancouver.

If you are Responsible

for the care and investment of other people's money—money entrusted to you by your mother, your sister, or some other relative or friend—you will feel happier if you have it invested in securities that promise regular payment of interest and absolute safety of principal. Such are the Guaranteed Investment Receipts of The Royal Trust Company.

Issued for amounts of $1,000 and upwards, to run for terms of three or five years, these receipts carry our guarantee to pay interest regularly every three months at a fixed rate and to repay the full amount of the money invested when due.

The present rate of interest is 5%.

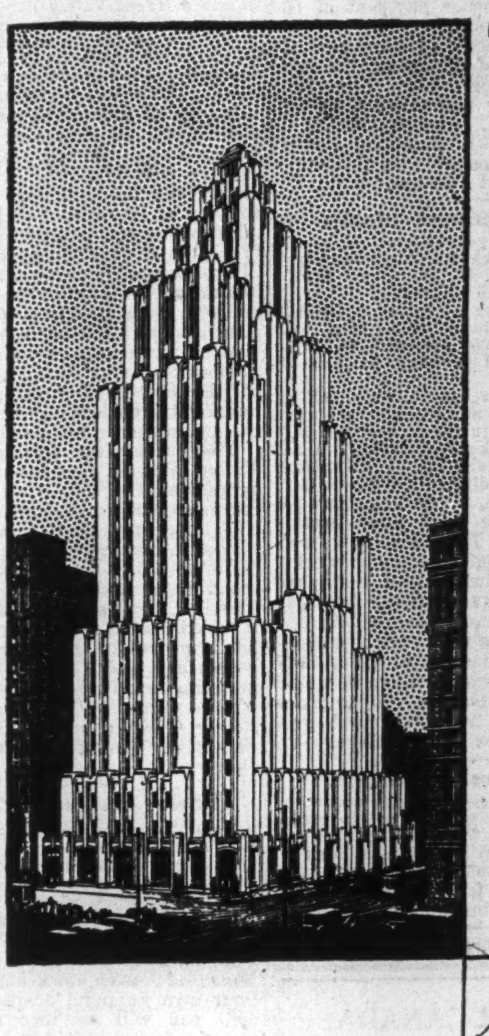
Send for a copy of our pamphlet "FOR SAFETY AND AN ASSURED INCOME"

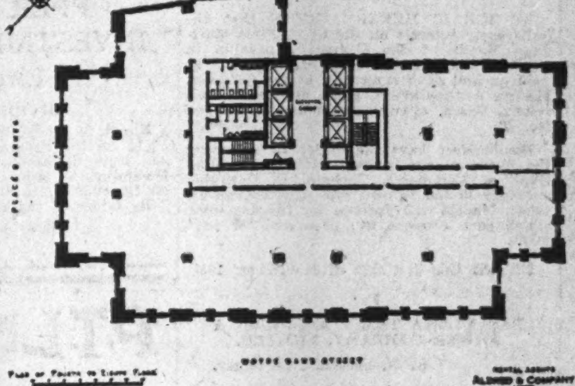
THE ROYAL TRUST Co
EXECUTORS & TRUSTEES

59 YONGE STREET . . . . . TORONTO

Branches throughout Canada

ASSETS UNDER ADMINISTRATION EXCEED $480,000,000





PRE-EMINENT AMONG OFFICE BUILDINGS

Quiet dignity inside and out

THE two entrances of the new Aldred Building and the spacious marble lobby are as impressive as the exterior of the building itself.

The elevator doors are of etched bronze. Lighting fixtures and other appurtenances are in keeping. Everywhere one finds a note of luxury, refinement, comfort and convenience.

In the office space proper, abundant light and air are available on all sides. Outlets for telephones and inter-office communication systems may be provided from the underfloor ducts. Heating, plumbing and ventilating systems are of the most efficient and modern type.

Those desiring large space are afforded entire floors. Those seeking smaller space have wide choice of location.

Ready for occupancy February 1st, 1931

Floor plans now available. Telephone, or call for information.

ALDRED & COMPANY, LIMITED
Telephone: HArbour 7117.

Main entrance lobby with door in distance opening on Place d'Armes.

Showing typical floor plan of fourth to eighth floors. Note the ample window space, the convenient elevators, and the way the floor lends itself to the arrangement of suites of offices.

The ALDRED BUILDING ON PLACE D'ARMES

DIVIDEND NOTICES

THE DOMINION BANK

Notice is hereby given that a Dividend of three per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 31st December, 1930, and, in addition, a Bonus of one per cent, making a total distribution of thirteen per cent for the current year,—the Dividend and Bonus will be payable at the Head Office of the Bank and its Branches on and after Friday, the 2nd day of January, 1931, to Shareholders of record of 20th December, 1930.

By Order of the Board.

C. A. BOGERT,
General Manager.

Toronto, 12th November, 1930.

ACME GLOVE WORKS LIMITED

Notice is hereby given that a quarterly dividend of 1⅜% on the First Preferred shares of this Company has been declared payable December 15th, 1930, to shareholders of record November 30th, 1930.

By order of the Board.

A. LEPINE,
Sec.-Treas.

Montreal, November 19th, 1930.

International Petroleum Company, Limited

Notice of Dividend No. 27

NOTICE is hereby given that a dividend of 25c. United States Currency per share has been declared, and that the same will be payable on or after the 15th day of December, 1930, in respect to the shares specified in any Bearer Share Warrants of the Company of the 1929 issue upon presentation and delivery of coupons No. 27 at the following banks:—

The Royal Bank of Canada,
King and Church Streets Branch,
Toronto 2, Canada.

City Bank Farmers Trust Company,
52 Wall St., New York, N.Y.

The National City Bank of New York,
36, Bishopsgate, London, E.C. 2, England.

OR

The Offices of the International Petroleum Company, Limited,
56 Church Street, Toronto 2, Canada.

The payment to Shareholders of record at the close of business on the 29th day of November, 1930, and whose shares are represented by registered Certificates of the 1929 issue will be made by cheque, mailed from the offices of the Company on the 13th day of December, 1930.

The transfer books will be closed from the 1st day of December to 15th day of December, 1930, inclusive, and no Bearer Share Warrants will be "split" during that period.

By order of the Board,

J. R. CLARKE,
Secretary.

56 Church Street, Toronto 2, Canada,
18 November, 1930.

The Sherwin-Williams Company, of Canada, Ltd.

Notice is hereby given that the seventy-eighth quarterly dividend of one and three-quarters per cent (1¾%) being at the rate of seven per cent (7%) per annum for quarter ending November 30th, 1930, on the Preferred Stock of the Company has been declared payable to shareholders of record the 15th day of December, 1930, and cheques will be mailed December 31st, 1930.

Books not closed.

By order of the Board.

D. A. WHITTAKER,
Vice-Pres. and Sec'y-Treas.

Montreal, Que., November 17th, 1930.

The Sherwin-Williams Company, of Canada, Ltd.

Notice is hereby given that the forty-first quarterly dividend of forty cents per share, plus a bonus of five cents per share, on the no par value ordinary stock of the Company for the quarter ending November 30th, 1930, has been declared payable to shareholders of record the 15th day of December, 1930, and cheques will be mailed December 31st, 1930.

Books not closed.

By order of the Board.

D. A. WHITTAKER,
Vice-Pres. and Sec'y-Treas.

Montreal, Que., November 17th, 1930.

CANADA WIRE & CABLE COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of $1.00 per share, being at the rate of $4.00 per share per annum, has been declared on the Class "A" Common Shares of Canada Wire & Cable Company, Limited, for the quarter ending November 30th, 1930, payable on December 15th, 1930, to shareholders of record at the close of business November 30th, 1930.

By Order of the Board.

W. H. MARSH,
Secretary-Treasurer.

CANADA WIRE & CABLE COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of .43¾c per share has been declared on the Class "B" Common shares of Canada Wire & Cable Company, Limited, for the quarter ending November 30th, 1930, payable on December 15th, 1930, to shareholders of record at the close of business November 30th, 1930.

By Order of the Board.

W. H. MARSH,
Secretary-Treasurer.

CANADA WIRE & CABLE COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of $1.625 per share, being at the rate of 6½% per annum, has been declared on the 6½% Cumulative Preferred Stock of Canada Wire & Cable Company, Limited, for the quarter ending November 30th, 1930, payable on December 15th, 1930, to shareholders of record at the close of business November 30th, 1930.

By Order of the Board.

W. H. MARSH,
Secretary-Treasurer.

DIVIDEND NOTICES

Canadian Car & Foundry Company, Limited

Dividend Notice—Preference Stock

Notice is hereby given that a dividend of forty-four cents (44c) per share on the paid-up Preference Stock of the Company for the quarter ending December 31st, 1930, has been declared, payable on the 10th day of January, 1931, to Shareholders of record on the 26th day of December, 1930.

By order of the Board,

A. C. BOURNE,
Secretary.

Montreal, November 24th, 1930.

The Cooksville Company Limited

DIVIDEND NOTICE

A Quarterly Dividend of One Per Cent (1%) on the Preference Shares has been declared payable December 15th, 1930, to Shareholders of record at the close of business on November 28th, 1930.

By order of the Board.

WM. TAYLOR,
Secretary-Treasurer.

Montreal, Que., November 20th, 1930.

SIMON'S

DIVIDEND NOTICE

The regular quarterly dividend of 1¾% on the Preferred Stock of H. Simon & Sons Limited has been declared payable the first day of December, 1930, to stockholders of record as of the 25th day of November, 1930.

Also a quarterly dividend of 62½c per share on the outstanding common stock of H. Simon & Sons Limited for the three months ending the 30th day of November, 1930, payable the 1st day of December, 1930, to stockholders of record as of the 25th day of November, 1930.

By order of the Board.

A. E. M. WARNER,
Secretary-Treasurer.

November 18th, 1930.

Canada Permanent Mortgage Corporation

Quarterly Dividend

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of TWELVE PER CENT. PER ANNUM on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

FRIDAY, THE SECOND DAY OF JANUARY

next, to Shareholders of record at the close of business on the Fifteenth day of December, 1930.

By order of the Board.

WALTER F. WATKINS,
Secretary.

Toronto, November 12th, 1930.

MORRISON BRASS Corporation Limited

DIVIDEND NOTICE
on
PREFERRED STOCK

NOTICE IS HEREBY GIVEN that a dividend of 1¾% on the 7% Preferred Stock of the Morrison Brass Corporation, Limited, has been declared for the quarter ending the 30th day of November, 1930, payable on the first day of December, 1930, to Shareholders of record at the close of the business on the 26th day of November, 1930.

By Order of the Board.

HIRAM D. HALL,
Secretary-Treasurer.

November 26th, 1930.

DOMINION GLASS COMPANY LIMITED

NOTICE OF DIVIDENDS

Notice is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of the Company for the quarter ending the 31st day of December, 1930.

Notice is also hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the COMMON STOCK of the Company for the quarter ending the 31st day of December, 1930.

The above Dividends are payable on Friday, the 2nd day of January, 1931, to Shareholders of record at the close of business Monday, the 15th day of December, 1930.

By Order of the Board.

MERVYN OFFER,
Secretary.

Montreal, 20th November, 1930.

Barcelona Traction, Light & Power Company, Limited

(Incorporated under the Laws of the Dominion of Canada)

5½% FIRST MORTGAGE BONDS

NOTICE IS HEREBY GIVEN that the half-yearly interest on the 5½% First Mortgage Bonds of the Company, payable in Pesetas, and due 1st December, 1930, will be paid on and after such date at the Office of Messrs. Arnus-Gari, 9, Paseo de Gracia, Barcelona, Spain, against production of Coupon No. 38.

Bondholders have the option of collecting the above peseta interest at The Canadian Bank of Commerce, Toronto, in Canadian currency at the current rate of exchange between Madrid and Toronto for the day upon which such coupons are presented for payment.

DATED this 21st day of November, 1930.

For
BARCELONA TRACTION, LIGHT & POWER COMPANY, LIMITED.
R. H. MERRY, Secretary.

DIVIDEND NO. 13

HIRAM WALKER-GOODERHAM & WORTS, LIMITED

Controlling and Operating
Hiram Walker & Sons, Limited
Gooderham & Worts, Limited
Distillers & Bottlers in Bond

Notice is hereby given that quarterly dividend (No. 13) of twenty-five (25c) cents a share has been declared on the outstanding no par value capital stock of this Company.

This dividend is payable (Monday) December 15, 1930, to shareholders of record at close of business (Wednesday) November 26.

By Order of the Board.

FLETCHER RUARK, Secretary and Treasurer.

WALKERVILLE, Canada, November 21, 1930.

FROST STEEL POSITION GOOD; PROFIT IS DOWN

Redeemed 870 Shares of First Preferred in Past Year

Frost Steel & Wire Co. had net revenue of $170,662 in the fiscal year ended October 31, 1930, after deductions for depreciation and reserve for income tax. This compares with $193,960 in the previous year but during the year 870 shares of first preferred was retired so that earnings per share on the 8,965 shares of this issue amounted to $19.03 as compared with $17.81 in 1929.

Earnings on the class A preferred shares were $21.50 as against $28.02 in 1929, without taking the participating provision into consideration. Common shares earned $2.42 in the past fiscal year but no dividends were paid. Dividends were paid regularly on the preferred shares.

Included in the income of the company is $7,968 of interest on investments. Surplus account was increased by $9,950, through amount received from Frost Superior Co., Warren, Ohio, on account of liquidation of assets, and profit on securities sold during the year amounted to $4,825. The surplus carried forward was $712,201 as compared with $701,986 in the previous year.

Adverse weather, crop and farm produce market conditions, it is stated, affected the company's sales of agricultural lines but sales of other products manufactured have been well maintained.

Assets of the company total $2,329,338, of which $949,636 is current. Against the latter figure is $118,142 of current liabilities leaving a working capital of $831.494 which is down slightly from $865,245 of last year, although the ratio of current assets to current liabilities of eight to one is considerably better due to the fact that current liabilities have been almost reduced by half.

Current assets consist of cash $52,260; accounts receivable $342,059; inventories $359,632; investments in marketable securities $175,514 and life insurance cash surrender value $20,170. Cash and accounts receivable have been reduced while inventories have increased slightly. Investments in marketable securities have been increased by $50,941.

Fixed assets consisting of lands, buildings, equipment, furniture, trucks and autos, is carried at $959,780, subject to depreciation reserve of $440,653. The fixed assets have been increased by about $30.000, while depreciation reserve has been increased $25,298. Goodwill is still carried at $836,400 while a new item of $24,176 appears for company's own stock purchased for sinking fund.

The only liabilities, in addition to current liabilities of $118,142, is the company's capital stock of which there are 8,965 shares of first preferred of $100 par value outstanding, a decrease of 870 shares from last year. There are 5,000 shares of class A preference shares of $100 par value outstanding and 30,000 shares no par value common. Surplus as previously stated is $784,696.

Details of income and surplus account is as follows:

INCOME AND SURPLUS ACCOUNT
Year Ended October 31

	1930 $	1929 $
Net profit*	170,661	193,960
Less appropriations:		
Half year's div. on old preferred	......	18,833
Div. on 1st pref.	63,166	35,000
Div. on Class "A" preferred	35,000	17,500
Surplus for year	72,495	122,627
Add: Prev. surplus	701,986	568,414
Rec. from Frost-Superior Fence Co., Warren, Ohio, on acct. of further liquidation of co.	9,950	10,945
Profit on secs.	4,825	......
Less: Life insur.	1,603	......
Income tax	2,957	......
Bal. car. for.	784,696	701,986

* After deduction for operating charges, depreciation and income tax reserve.

Canada Permanent Reserve $8,000,000

The reserve fund of Canada Permanent Mortgage Corp. is $8,000,000, or $1,000,000 more than the paid-up capital of the corporation. Through an unfortunate typographical error in the special supplement to The Financial Post of November 20, it was stated that the Canada Permanent reserve fund was $800,000 instead of the correct amount of ten times that.

Canada Permanent has been steadily building its reserve since 1860. In 1920, with a capital of $6,000,000, the reserve was increased to the same amount from $4,750,000. In 1921, both capital and reserve were increased to $7,000,000. An appropriation out of surplus in 1925 increased the reserve to $7,500,000 and an appropriation of the same amount in 1928 brought the reserve to the present figure of $8,000,000.

In addition to the reserve, the surplus at the end of 1929 had reached $347,191.

Your Investments

Besco Exchange

Please be good enough to tell me if there has been a time limit set for the exchange of Besco common and second preferred. Also tell me when dividends are paid on Ford Motors, Home Oil, Canadian Pacific and Montreal Power.

No time limit has as yet been set for the exchange of Besco common and second preferred stock for that of Dominion Steel & Coal Corp. If you are going to be away for three months after the first of the year, it might be as well to make the transfer now.

The dividend on Ford Motors "A" shares is payable in June and December in two half-yearly payments of 60 cents a share. In addition to this disbursement, a bonus of 30 cents a share was paid in June, 1930. You may expect another payment of 60 cents a share December 22.

Dividends on Home Oil are paid at the discretion of directors; the last was paid in April, 1930. Canadian Pacific Railway makes its distribution on April 1, June 30, October 1 and December 31. Montreal Power dividends are payable in January, April, July and October.

Hold Common Stocks

I should like your advice as to my investments, which include 40 shares of Montreal Power, 14 shares of Shawinigan Power, 15 shares of Imperial Tobacco, 8 shares of Imperial Oil, all common stock. In addition I have total insurance of $5,250 of which $4,250 is endowment, and a bank balance of $300.

Would you recommend my selling some of my common stock on the next substantial rise in the market and buy bonds as a measure of safety? I am 54 years of age and am not at present able to make additional investments.

In your place, we do not think we would interfere with your investments at all. They are now well placed and though in common stocks, the market valuations of these are likely to be enhanced when business activity once more governs. At the same time, when your various endowment policies mature in 1936, 1937 and 1938, we would think it would be then advisable for you to place these amounts in bonds well protected by assets and earnings.

Investors' Syndicate

I would like your opinion as to the financial responsibility of Investors Syndicate Ltd. Would a person be safe in investing with this syndicate?

Investors' Syndicate Ltd. acts as a sales company for Investors' Syndicate Inc., of Minneapolis. That company has been many years in business and has been expanding all this time on the basis of certificates sold to investors. In our opinion these certificates would prove valuable to the person who is able to make payments right through to maturity.

If the contract is abandoned after a few years we do not think that it would prove to have been of advantage to the investor. Therefore, the point which the investor must decide in his mind is whether or not he will be able to pay right through to maturity. If he is able to do so, the contract would prove a valuable one to him.

Quinte and Trent

I am a preferred shareholder of Quinte & Trent Valley Power Co. The outlook does not look encouraging. Would you advise me to sell my stock? Do you think dividends are likely to be resumed soon and do you think the Ontario Hydro will take over its plant?

We think you might as well hold your preferred shares of Quinte & Trent Valley Power Co., pending further developments. It is understood that the company has some solution of its present difficulties in mind, while you will find it difficult to dispose of your shares at anything like a reasonable price, since there is not an active market for the stock. As you know, holders of the company's bonds are being asked to sanction an agreement to waive interest payments during 1931, a reflection of the decreased earnings; consequently the outlook for dividends on the preferred is not encouraging.

The outlook for Quinte & Trent Valley Power appears to depend largely on the future of its parent company, Canadian Paperboard Co. The latter concern is making some progress, but any further expansion of its activities depends on a betterment in the market for paperboard. The industry is over-expanded, and it may be some time before the market improves to the extent that the Frankford and Campbellford mills are reopened. There has been nothing official regarding the Ontario Hydro Power Commission taking over the plants of Quinte & Trent Valley Power.

Power-Famous Players

I am at present holding a 6 per cent bond of Famous Players Canadian Corp. I have an idea that it might be well to sell this and invest the proceeds in Montreal Light, Heat and Power stock. What do you think of the proposal?

Your suggestion to switch from a Famous Players 6 per cent bond to Montreal Power stock depends upon your own financial position. If you sell, you will sacrifice a yield of around 6 per cent for a return of about 2.50 per cent at current prices of Montreal Power. Thus the only apparent justification for the switch appears to lie in the hope of market appreciation in the shares of Montreal Power since both this stock and the bonds of Famous Players Canadian Corp. can be considered sound investments.

The outlook for Montreal Power is encouraging. The company has an excellent record both of dividends and earnings, while the shares command an excellent market. There is every indication that the company's growth will be maintained in the future, as it occupies an exception- it serves,—a territory which is ally strong position in the territory steadily growing in population and industrial activity. The company is broadening its holdings.

If you are prepared to accept a lower return on your investment and hold on to your Montreal Power stock if you purchase it, we think you should eventually be rewarded with appreciation in the value of your holdings while there are possibilities that shareholders will receive other benefits such as stock rights, higher dividends, as they have in the past.

DIVIDEND NOTICES

UPPER CANADA INVESTMENT TRUST Limited

DIVIDEND NO. 8

Notice is hereby given that a dividend of 1¾% on the Preferred Stock of this Trust has been declared for the quarter ending December 1st, 1930, to shareholders of record on November 15th, 1930.

By Order of the Board,

(Signed) J. J. DUBEY,
Secretary-Treasurer.

P.T. LEGARÉ CO. LIMITED

Dividend No. 13

The regular 1¾% quarterly dividend on the 7% Preferred Stock of this Company has been declared for the quarter ending November 30th, 1930, payable on the 1st day of December, 1930, to shareholders of record at the close of business the 15th day of November, 1930.

By order of the Board.

P. C. FALARDEAU,
Secretary-Treasurer.

Quebec, November 11th, 1930.

ACTUARIES REPORT SAYS COMMISSIONS HIGH IN ONTARIO

5 p.c. Too Much Paid to Insurance Agent is Claim

That acquisition costs of automobile insurance in Ontario are 5 per cent too high, is one of the outstanding features of the second actuarial report on automobile insurance rates in Ontario, which has been released for publication this week.

This report deals with the question of expense loading and underwriting profit and supplements the first report presented by the late Harwood Ryan, and which related to loss cost. The third and final report which will develop premium rates based on the first two reports is now in course of preparation.

The present report will be discussed before Commissioner Hodgins next week when the enquiry which has been under way for many months now, will resume its hearings.

Loading Too High

Briefly the report analyzes the expense costs and underwriting profit items submitted to the automobile insurance companies to the commissioner, and takes objection chiefly to the fact that in preparing their 1929 manual rates, the companies provided a loading of 47½ per cent and 2½ per cent of the premium rate for expenses and underwriting profit respectively, making an aggregate loading of 50 per cent. According to the actuaries report, this loading should have been 45 per cent, not 50 per cent, in other words, in their opinion 45 cents instead of 50 cents would have been adequate provision in the premium dollar for expenses and contingencies or underwriting profit.

As to acquisition costs, the claim made by the actuaries is that the allowance of 30 per cent set by the Ontario companies for acquisition costs is too high and is at least five points higher than the comparable allowance in England and the United States. To quote from the report itself:

"We have reviewed the testimony offered by the bureau, the Toronto Insurance Conference, the Ontario Fire and Casualty Insurance Agents' Association, and other representatives of the agents, and feel that no sufficient reason has been advanced for a higher allowance for acquisition expense in Ontario than in England or the United States. While we are not familiar with conditions in England, we do believe that conditions in Ontario closely approximate those in the United States.

"The usual practice (both in Canada and in the United States) is to set the acquisition expense allowance as a percentage of the premium regardless of the character of the territory covered, e.g., the percentage allowance is the same for large cities where the premium rates are high and the business is concentrated, as for rural sections where the rates are low and the business is scattered. While in general this results in a larger commission per policy in the more populous districts, the differential may be justified on the theory that the cost of maintaining offices in the larger centres is greater and also that the individual income of the agent in the larger centres must be greater to equalize the standard of living."

Canada Dry Earnings Nearly Equal to 1929

Canada Dry Ginger Ale net income for the year ending Sept. 30, 1930, amounted to $3,402,225, after interest, depreciation and federal taxes, as compared with $3,534,420 for the preceding year. This is equivalent to $6.64 a share on 512,294 no par value common shares outstanding Sept. 30, 1930, as compared with $6.92 a share in the preceding year on 510,684 common shares. All this loss in net income was suffered in the first six months of the year, ending March 31, 1930. The $5 dividend appears to be amply protected.

The company is in the strongest financial position in its history. Working capital on September 30, 1930, was $4,425,716 as compared with $3,660,536 a year earlier. Current assets were $5,810,956 and current liabilities $1,385,240, a ratio of 4.2 to 1 as against a ratio of current assets to current liabilities a year earlier of 3.38 to 1. Cash and marketable securities in this period increased from $2,760,551 to $3,055,433.

Halifax Postal Activity

An increase of more than half a million dollars is shown in the revenue of the Halifax Post Office for the year ended March 31, according to the annual report of the Postmaster General at Ottawa.

NOTICES

SEEKS POSITION AND INVESTMENT

Graduate engineer and experienced business executive open for appointment in established business with view to purchase of retiring member's interest or financing expansion. Box 244, The Financial Post, Toronto.

SOME EMPLOYER NEEDS MY SERVICES

Business woman, twenty years Toronto experience, competent to take complete charge of office. Knows costing, ledger work, stenography. Can operate Monroe calculator and switchboard. Highest references. Write Box 245, The Financial Post, Toronto.

Tender for Debentures

Tenders for $10,000.00 "Town of Dalhousie Electric Light Debentures, 1929"; $20,000.00 "Town of Dalhousie Sewer Debentures, 1929"; $10,000.00 "Town of Dalhousie General Improvement Debentures, 1930", will close four p.m., December 10th, 1930, Town of Dalhousie Office, first two issues authorized by 19 George V, Chapter 75, and third issue by 20 George V, Chapter 100, Acts of New Brunswick, interest 5% payable semi-annually, date of issue on December 15th, 1930. First and third issues twenty years; second issue forty years; interest payable and Debenture redeemable at Royal Bank of Canada, Dalhousie, N.B., $1,000.00 denomination.

F. B. SWINNARD,
Town Clerk and Treasurer.

Morrison Brass Reports Trade Above Last Year

Directors of the Morrison Brass Corp. Ltd., have declared the regular quarterly dividend of 1¾ per cent on the 7 per cent preferred stock.

Business of this company is said to be running well ahead of the corresponding period for last year and earnings for the year will reach a new high for the company. This is accounted for by the fact that the space occupied by the Toronto plant has been materially increased and that the company was able to open additional outlets for its products in the East, heretofore undeveloped.

Winnipeg Electric Profits Behind Those of Last Year

From Our Own Correspondent

MONTREAL.—Gross and net earnings of Winnipeg Electric Co. for October were above those for the preceding month, but below the figures for the corresponding month last year. October net profit was $157,623, as compared with $176,533 a year ago. Gross earnings dropped from $523,050 to $512,801 during similar periods.

Fixed charges and taxes, after deducting other income, amounted to $99,418, a $7,692 increase over last year. This leaves net profits from operations at $58,205, against $84,807 for October, 1929.

Reduction in profits from 1929 is due to lower earnings of the company's railway utility, the aggregate number of passengers carried being considerably lessened by business conditions, and weather conditions favorable to pedestrian and automobile traffic.

Higher power costs were responsible for the $7,692 increase in fixed charges, both railways and gas utilities showing reduction in expenses for the month.

"Splendid Issue"

From the St. Catharines Standard

"The Financial Post this week is a 92-page affair, a splendid issue in every respect, covering industrial activity from coast to coast. This is an ambitious project to attempt at any time, and the enterprise of The Post is very commendable, coming as it does in a time when most Canadians are giving serious thought to general conditions. The Standard has not always agreed with The Financial Post opinions, but is glad to congratulate that paper in giving such a timely and comprehensive survey of the entire Canadian field."

NOTICES

SPECIALIST—INDUSTRIAL DEVELOPMENT AND SITES

Canadian of international experience, lived in U. S. A. studying psychological and industrial trend in relationship Canadian business. Thoroughly experienced in diplomatic negotiation of higher order, publicity, industrial properties. Have given special consideration Canadian Power Companies development and realtors desiring to establish industrial department. Have established numerous industrial plants in Canada. Services available for permanent salaried position.

Box 243 The Financial Post, Toronto.

NOTICES

TENDERS FOR DEBENTURES
KENORA GENERAL HOSPITAL, KENORA, ONTARIO

(Town of Kenora Guaranteed)

TENDERS will be received at the Office of the Undersigned up to NOON, WEDNESDAY, DECEMBER 10th, 1930,
for the purchase of
$30,000.00 FIFTEEN YEAR SIX PER CENT INSTALLMENT DEBENTURES, issued by the Kenora General Hospital, for additions to the Hospital Building.

(1) Debentures dated February 1st, 1930.
(2) Maturities—February 1st, 1931, to 1945, inclusive. The principal payable each year will be in even hundreds of dollars ranging in amounts from $1,300.00 in 1931 to $2,900.00 in 1945.
(2a) Denominations — Ranging from $300.00 to $700.00.
(3) Interest—Payable Annually (February 1st) by Coupon.
(4) Payable—Toronto and Kenora.
(5) Registerable—As to principal only.
(6) Guarantee—Unconditionally guaranteed as to Principal and interest by the Corporation of the Town of Kenora by endorsement on Debenture form.
(7) Legal opinion of Messrs. Long & Daly of Toronto will be furnished to purchasers at expense of the corporation.

Further particulars may be had on application.

H. J. BRADFORD, Secretary-Treasurer, Kenora, Ont.

VILLAGE OF TWEED, ONTARIO

Debentures for Sale
$100,000.00

Sealed Tenders marked "Tenders for Debentures" will be received by the undersigned until 12 o'clock noon on Wednesday, the 10th day of December, 1930, for the purchase of the following debentures of the Village of Tweed:

$12,000.00 Five per cent Twenty Instalment Debentures for Sewage Disposal Plant:

$13,000.00 Five per cent Thirty Instalment Debentures for Waterworks Plant;

Approximately $75,000.00 Five per cent Thirty Instalment Debentures for Local Improvements (Sewers and Watermains).

These debentures will be dated December 15, 1930.

The interest on said debentures will be payable semi-annually on the 15th days of June and December and principal and interest will be payable at the Bank of Montreal, Tweed or Toronto, at holder's option. Debentures registerable as to principal.

Purchase price payable at Bank of Montreal, Tweed.

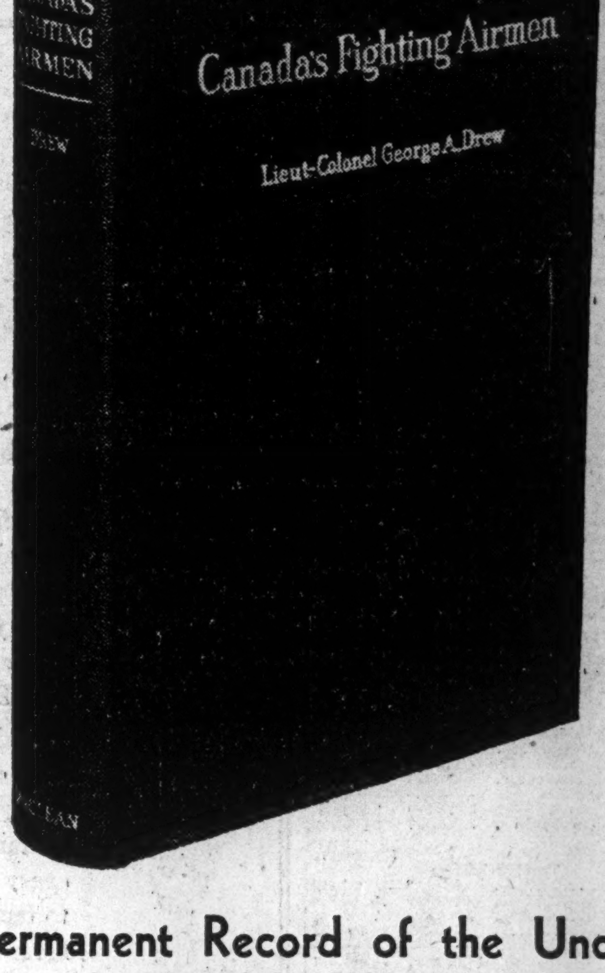
The highest or any tender not necessarily accepted.

Legal Opinion of Messrs. Long & Daly of Toronto will be delivered to the purchasers of the debentures at the expense of the Village.

It is expected that delivery of the debentures can be made on or shortly after December 15th, 1930.

GARRETT D. C. MORTON,
Treasurer,
Village of Tweed.

The Book of the Year



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MACLEAN'S MAGAZINE,
153 University Avenue,
Toronto 2, Ontario.

I enclose $ .... for which please mail me, postpaid, ... copies of "Canada's Fighting Airmen," .... Edition.

Signed ....

Address ....

Town .... *Prov.* ....

NOV. 27/F.P.

FEAR POOL DEBT TO SASKATCHEWAN NEAR $15,000,000

Is Secured by Elevators, But Their Ownership Uncertain

ARE 1,000 ELEVATORS

Net Value of Elevators is Around $17,000,000—Revert to Co-operative Elevators?

From Our Own Correspondent

REGINA.—With all the apparent unconcern of the Roman senators, when the barbarians were hammering at the gates of Rome, the 160 delegates of the Saskatchewan Wheat Pool wound up the business of the annual meeting, paying no attention whatever to reports in circulation of the imminent liquidation of the pool. They received a report of the Central Selling Agency disclosing the fact that on August 31, with wheat stocks of the 1929 crop on hand to the extent of 40,000,000, bushels and of the 1928 crop to the extent of 3,000,000 there was a deficit at that date of over $9,000,000 in the Central Selling Agency's accounts on wheat alone, valuing stocks on hand at then prevailing prices. With provision made for large additional losses on coarse grains, and allowance for depreciation in value of grain stocks since August 1 the impression is growing in Government circles that the total amount for which this province has become liable, under its guarantee to the banks of the wheat pool's accounts last February will not be far short of fifteen million dollars.

Security for Government

According to announcement just made by the provincial treasurer, the Saskatchewan Pool is now giving security to the Government in respect to elevators worth $17,500,000. Apparently such security, although spoken of last February, was not given at that time. There is a difference of opinion as to the value of any such security. In the first place, these elevator assets are presumably already pledged in some way or other to the banks in connection with the ordinary support of the Central Selling Agency's borrowings by the provincial pools. In the next place, the elevator assets may possibly not be legally subject to pledge. The theory has been advanced, and supported by decision of the Exchequer Court in the pool income tax case, that the pool reserves, accumulated by deductions from settlements with farmers, are not the property of the pool but are held in trust for the members, while one clause of the pool contract seems to limit the right of the pool in connection with the employment of these reserves.

The Saskatchewan Pool's Elevator Assets, consisting of over 1,000 country elevators in the province and terminal elevators at Port Arthur and Buffalo have a book value of approximately $21,000,000. Against these are mortgages outstanding, with respect to elevators which the pool acquired from the old Co-operative Elevator Company, of approximately $3,500,000. If the Government takes over the elevators it will have to take care of the remaining interest of the old Co-operative Elevator Company shareholders so its total interest in the elevators may reach $18,000,000 or $19,000,000. Although the Saskatchewan Pool annual meeting supported a scheme whereby whatever amount might be owing would be repaid to the Government over a series of years, little weight is attached to the plan. The general assumption here is that the Government will have to take possession of the whole elevator system and that it will, for a brief time, at least operate it as a provincial matter, until some way out of the situation can be found.

Revive Elevator Company

One suggestion that is occasionally made is that the Saskatchewan Co-operative Elevator Company, whose formal existence has never been terminated, should be revived, in order to function once more as an elevator company as in the days before the pool. Another one is the creation of a new farmers' elevator company, with capital stock allotted to members of the pool on the basis of their proportionate interests in the pool's reserves. But the success of such a company, starting out with the load of debt it would be expected to assume, and without liquid resources, is more than doubtful.

Up to and including settlement for the 1928 crop the Saskatchewan Pool had made the following deductions from members' settlements for reserves:

Elevator reserve	$12,195,180.05
Commercial reserve ..	6,572,705.90
	$18,765,885.95

Most of the commercial reserve, as well as the elevator reserve went into fixed assets. Some of it was doubtless lodged with the Central Selling Agency, and would offset the liabilities of the Saskatchewan Pool and the Saskatchewan Government in connection with the settlement of Pool accounts, but none of it would be available as working capital.

Members Are Credited

Against these reserve deductions, credit accounts have been set up on the books of the pool crediting different members with various amounts, ranging from small amounts to several thousand dollars. Certificates, not unlike a bond in form, were issued to represent deductions made up to and including the 1927 crop. They have been negotiable as between pool members, and a certain number of them have changed hands at varying discounts from face value, usually about one-third. It is believed that some members, especially those holding certificates for large amounts, will attempt to maintain an interest in the reserves and consequently in the elevators superior to that of the Government, unless of course the Government first makes its claim good by legislation, which it is quite able to do.

Direct financial necessity will dictate the solution of the problem. The province has to make settlement with the banks, and its finances are not so strong that it will not have to recover as much as possible from the elevators.

Bank of Montreal Annual Reveals Many Changes

Break in Stock Market and Recession in Business Have Their Effect on Loans and Deposits—Liquid Position Favorable, While Share Earnings Well Above Dividend Needs

From Our Own Correspondent

MONTREAL. — Collapse of the stock market, tightness of business, withdrawal of funds by depositors, greater restriction in respect to call loans, etc., are reflected in the annual report of the Bank of Montreal for the 12 months ended October 31 last, as compared with the preceding period.

Despite unsettlement in business and banking over the past year, the bank was able to hold earnings at a comparatively high level. For the 12 months net profits, amounted to $6,570,491, of which $51,459 represented premium on new stock. In the previous year earnings alone amounted to $7,070,892 and premium on new stock $6,031,840.

Earned $18.10 a Share

There has been an increase in the value of stock outstanding from $35,948,540 to $36,000,000. Share earnings for the fiscal year 1930 totalled $18.10, as against $19.67 in the previous year. Rest account has been brought up from $37,948,540 to $38,000,000.

After taking care of all prior charges, including dividends, taxes, etc., the Bank of Montreal was able to report a surplus of $211,465, which added to the previous balance brought the profit and loss account up from $735,582 to $947,047. Particulars follows:

	Year End, Oct. 31 1930	1929
Net profit	$6,519,031	$7,070,892
Less:		
Dividends	4,327,587	3,993,234
Bonus	720,000	720,000
Taxes	459,979	435,865
Res. bank premises	800,000	900,000
Surplus	211,465	1,021,793
Add:		
Previous surplus ...	735,582	713,789
Prem. new stock ...	51,460	6,031,841
Less:		
Trans. rest account	51,460	7,031,841
	947,047	735,582

GENERAL STATEMENT
As at October 31

	1930 $	1929 $
Assets		
Specie and dep. in central gold res.	100,047,419	58,811,390
Notes and cheques of other banks ..	41,634,156	63,407,357
Current loans	359,708,279	435,975,592
Call loans abroad	60,921,713	115,506,018
Can. call loans ..	17,840,690	39,406,650
Dom. & Prov. secs.	131,107,484	98,670,890
Public secs.	46,447,442	25,033,797
Total assets	826,969,538	965,336,997
Liabilities		
Circulation	39,724,450	45,465,136
Demand dep.	148,045,926	178,284,099
Savings dep.	540,977,246	594,049,161
Capital	36,000,000	35,948,540
Reserve	38,000,000	37,948,540

Examination of the balance sheet reveals a number of interesting and important changes, closely reflecting the settling down of Canadian business over the past twelve months. In these comparisons it should be noted that in each case the bank's position is taken as at October 31, 1929 and 1930, respectively.

Deposits Are Lower

Notes of the bank in circulation have dropped from $45,465,136 to $39,724,450. Deposits not bearing interest have sharply contracted, now amounting to $148,045,926, as against $178,284,099 a year ago. Deposits bearing interest have likewise undergone a change, dropping from $594,049,161 to $540,977,246.

Last year's report showed advances under the Finance Act amounting to $15,000,000. This item has been wiped out. Deposits made and balances due to other banks in Canada have been cut almost in half to $2,569,635. Balances due to banks and banking correspondents elsewhere than in Canada record a marked change, having declined from $34,369,332 to $5,802,935. Bills payable are up from $298,580 to $1,568,710.

Letters of credit outstanding have dropped from $13,338,458 to $8,723,863, while liabilities not included in the foregoing are off from $3,072,522 to $2,799,070.

Changes noted among assets are more closely indicative of the readjustments made over the past year. Current gold and subsidiary coin has fallen away from $42,811,390 to $33,871,526, while the deposit in the central gold reserve has been cut $6,000,000 to $10,000,000. This represents a decline in gold resources over the year of approximately $15,000,000.

Balance due by banks and banking correspondents elsewhere than in Canada have advanced from $30,727,715 to $35,118,588.

Call Loans Reduced

In the matter of call loans in Canada and elsewhere, the difference is marked, reflecting tighter restrictions enforced and also due to the smaller demand for such funds. Call and short loans in Canada have been cut from $39,406,650 to $17,840,690.

Call and short loans in Great Britain and United States have also undergone a marked change, dropping from $115,506,017 to $60,921,712.

Dominion and provincial government securities held by the bank are valued at $131,107,484, up from $98,670,890. Canadian municipal securities, and British foreign and colonial public securities, other than Canadian, have increased from $25,033,797 to $46,447,441.

Cheques on other banks have declined from $59,753,603 to $37,833,383.

Decline in Loans

Current loans and discounts in Canada, after making full provision for bad and doubtful debts, now stand at $290,872,423, compared with $370,082,135 a year ago.

Loans to cities, towns, municipalities and school districts have been cut by about $4,500,000 to $24,246,054.

Current loans and discounts elsewhere than in Canada have increased to $42,547,341, up from $35,108,249.

Shares of and loans to controlled companies have been increased nearly $1,000,000 to $2,353,227.

Good Liquid Position

Of the total assets of the bank, amounting to $826,969,537 (compared with $965,336,997 a year ago), liquid assets amount to $438,192,479, at which level they are equivalent to 59.32 per cent of total liabilities to the public.

Most of the marked changes noted in this year's statement of the bank took place during the first half of the year, or immediately following the break in the security markets. During the last half of the year, a number of improvements have been noted, such as an increase in deposits, the total of which amounted to $697,395,742, as compared with the half year figure of $688,067.754.

"Splendid Faith"

"Allow me to express to you my hearty congratulations on your supplement dealing with 'Canada's Certain Future,' which appeared on my desk the other day. I have read the issue with a great deal of interest and feel it to be a most timely contribution, particularly when one bears in mind present circumstances, and also that it is most complimentary to Canada in view of the wide and splendid representations of our leading companies, both in the editorial material and advertising quota. Such wonderful backing of the idea behind the supplement manifests splendid faith in this country which is most encouraging. May I venture to make a comment to the effect that the entire issue, moreover, very definitely reflects great credit upon 'The Financial Post' as a whole.

K. S. McARDLE,
Managing Editor,
"Commerce of the Nation."

Dominion Steel and Coal Change Ore Mine Schedule

From Our Own Correspondent

MONTREAL.—Plans of the Dominion Steel and Coal Corp. for the operation of the Wabana ore mines at Bell Island, have been rearranged. The previous schedule called for three working days a week, but it is now the intention to work one full week and close down for one week.

In December the four mines will work for nine consecutive shifts, beginning on the 4th and continuing until the 13th, when all work will be suspended for the Christmas holidays.

After the New Year, the mine will re-open on January 8th, instead of the 12th as previously announced and will work six consecutive shifts each fortnight, beginning on Thursday and concluding on Wednesday.

POWER BOARD OF NOVA SCOTIA BUILDING LINES

Will Connect Mersey and Mush-a-Mush Plants

From Our Own Correspondent

MONTREAL.—Construction of an inter-connecting transmission line between developments on the Mersey and Mush-a-Mush Rivers, has been authorized by the Nova Scotia Power Commission.

This line will transmit standby service and auxiliary power and energy to the Mush--Mush system. At present there is an inter-connection between the commission's system on the Mush-a-Mush River and the Bridgewater hydro-electric station at Hebbville.

Seven miles of the Mersey-Hebbville route is already covered by a transmission line which supplies power and energy to South Brookfield and Caledonia. The proposed line will extend from the Caledonia-Liverpool road across country 21 miles to connect with the Mush-a-Mush system through the Bridgewater hydro-electric station. Tenders are now being asked for the clearing of this line which will be undertaken immediately. Material has been ordered and construction will proceed with the greatest expedition.

Construct New Dam

The storage plant of the generating plant of the town of Shelburne, which was taken over by the commission in June, 1930, is at present being increased by the construction of a dam at the outlet of Scoodic Lake, and further work is being done for the increase of storage at Deception Lake and Courtney Lake. On this work nineteen men are now engaged. The generating station itself is also being completely overhauled and rebuilt in the most modern manner, and sixty men are engaged on this work.

The storage dams on the west branch of the Tusket River, which have been taken over by the commission, are in need of rehabilitation, and this work is proceeding at present.

NATION'S BUSINESS

(Continued from page 1)

appears to have caused great resentment abroad directed against the whole North American continent, without distinction between Canada and the United States.

* * *

DOUBTLESS the pool experiment had to be tried, but it would not have been on so great a scale without a tremendous amount of support from both Government and business sources in Canada. That support would hardly have been quite so generous had there been a greater understanding throughout the country of the economics of wheat marketing, and of the importance of the functions of the open market. The whole country was involved in the experiment, and the whole country is sharing the cost.

Although marred by many bitter and harmful attacks upon other institutions, the whole pool movement was primarily an honest and sincere attempt to apply highly mistaken ideas. The majority of its leaders, and particularly such men as H. W. Wood and A. J. McPhail were without doubt unselfish in their motives, but the movement lacked personalities strong enough to control its course and to prevent some mistakes which otherwise might have been avoided.

* * *

MR. FERGUSON
AND THE BRITISH

G. HOWARD FERGUSON, Prime Minister of Ontario, has been offered our High Commissionership in London.

After the Premiership of Canada, the High Commissionership in London is, or should be made the key job in the future development of Canada and the Empre.

The late High Commissioner, Hon. P. C. Larkin, made the office a business man's job; not that of a Colonial errand boy to musty Imperial civil servants. Like the Cabots, of Boston, he talked only with the gods of the Cabinet. They listened as they had never listened before, and when he got through the scandalous cattle embargo was removed and other injustices were remedied.

Mr. Larkin's experiences with officialdom and the leaders in commerce and industry in the Mother Country made him lose faith in the future of the Empire, and he felt that, in Imperial preferences, we were building on false hopes. He was wrong. Mr. Larkin did not understand the masses. A successful business man, he was hopeless as a minor politician.

* * *

BASED on its own observations and those of its affiliated papers, which go many years back of Mr. Larkin's experience with the British people, The Financial Post has never lost faith in the future of the Empire and Canada's place therein. From a prosperity standpoint, the Empire's easy market of 450,000,000 people is well worth putting forth the greatest effort to gain. Our greatest need is leadership, a leadership that understands the Mother Country, the Dominions and the Colonies.

Was it not Baden-Powell who said: "With a smile and a stick one can get anywhere in the world"? Both are needed in the present situation. Mr. Bennett used the stick with good effect and presented the case for Empire preferences tellingly but he lost a great opportunity when he failed to tell the British people that we already had given them, since 1897, most valuable preferences — preferences which they were neglecting. Had he played upon this, he would have gained mass support in Britain. It was something they did not know or appreciate.

* * *

MR. FERGUSON has both qualities—the smile and stick. No other man in Canadian public life knows the people and their opinions or the country and its resources better, or enjoys a greater degree of national confidence. But Mr. Ferguson and Canada have a lot to learn about the people and problems of the Mother Country and other parts of the Empire. The Ontario premier would appear to be easily the best man for the job. Two years of Ferguson in London should win tremendous support for Empire building and Empire preferences. It might create better understanding on his part also. His views are still crude on Empire questions.

Ontario, to which Mr. Ferguson has given splendidly constructive government, though handicapped undoubtedly in his efforts to bring about reforms by a settled state of public opinion, is objecting to losing so valuable a man. It should be very easy for a sound constructive man (the present cabinet has one in Hon. Chas. McCrea), to be acting premier for the period during which Mr. Ferguson would be lent to the High Commissionership.

Build Central Heating Unit

Six hundred men are employed in the new central heating development of the Northern Public Service Corporation, at Winnipeg, says a report of the Industrial Development Board of Manitoba. The payroll runs to about $20,000 weekly.

Regal Bakeries Plans To Change Management

Reorganization Plans Throw Priority Shares to New Interests Without Explaining Necessity—Preferred and Common Shares Given Very Back Seat

Preferred and common shareholders of Regal Bakeries, formerly Hilton Bread Co., are considering at a special general meeting this week a proposal from the directors that the par value of the preferred stock should be reduced from $100 to $60, that the dividend rate should be reduced from 7 per cent on $100 to 6 per cent on $60, and that arrears of accumulated dividends should be cancelled.

They are also asked to approve a proposal that 10,000 new management shares of no par value should be given a priority position which would entitle the holders to receive all the net profits of the company available for dividends up to $25,000 and 50 per cent of net profits more than $25,000 for a period of ten years from October 1, 1930. These management shares may be issued and allotted to persons in the employ of the company, and they are convertible into common shares at the rate of ten fully paid common shares for one management share.

Shareholders are also asked to approve the action of the directors on October 31, 1930, "providing for the execution of a contract with Bertram A. Badman for his employment as general manager of the company for a period of 12 years from October 1, 1930, and for the purchase by Bertram A. Badman and his nominees, employees of the company, of 10,000 management shares of the company in installments at the issue price of 50 cents a share."

No information is sent with the notice to all shareholders, dated November 17, calling the meeting for nine days later, as to why these extraordinary proposals are made. The notice simply says: "Copies of By-law No. 16 and of the agreement with Bertram A. Badman may be inspected during business hours on any business day at the office of the company."

The Financial Post, in trying to get information as to the reasons for the proposals mentioned, was informed that they would be given at the meeting but that the press would not be admitted. The official, who was approached, stated that explanations given to shareholders who had called at the office had been satisfactory to them. Asked if there had been losses to the company, through purchases of flour at high prices as had happened to other baking companies, he admitted that there had been losses and stated that the present proposals were in the opinion of directors the best way of meeting the situation.

In view of the fact that a number of shareholders of Regal Bakeries live outside Toronto, the provisions for informing them as to what is behind these proposals are painfully inadequate. Letters to The Financial Post from such shareholders express the greatest indignation. It is pointed out that the 10,000 management shares costing $5,000 will entitle the holders to $25,000 in dividends when these dividends are earned, and, if $100,000 should ever be earned, to $62,500, whereas 1,000 shareholders who provided the original money to start the company would have the privilege of dividing among themselves the balance of $37,500.

It may be that the possibility of such earnings is a scant one under present conditions. One shareholder states that the company has not earned a cent in dividends since its incorporation. In any case the shareholders cannot be expected to hear of this plan to turn over future earnings if any to another stock hitherto non-existent, without desiring to know some very good reasons for the action.

Moose Jaw Finances Sound

According to reports read at the annual ratepayers' meeting in Moose Jaw, the other day, the city is in better financial position than any other in the Dominion. Alderman Johnston of the finance committee predicted a decrease in city taxes for Moose Jaw next year.

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ORIGINAL DISCOVERY

High Grade Vein Has Been Picked Up on Bottom Level

Shareholders of Canusa Mining & Exploration Co. met November 24 to approve of an agreement whereby B. M. Berger & Co. of New York, undertakes to finance the company to extent of $225,000.

The present authorized capitalization of the company is $3,000,000 in $1 par value shares. Under the new financial arrangement 500,000 shares of this capitalization is to be classed as Series A. stock. The only difference between this and the balance of the common stock will be that it is listed on the New York Mining Exchange.

Say Cash Available

Upon incorporation of the present company about two years ago, Detroit fianciers undertook to provide $250,000 to develop the property. Of this approximately $50,000 had been subscribed and it is understood that the balance is to be available as required. Upon financing being completed approximately 500,000 shares will remain unused in the company's treasury.

To facilitate transfer of the new Class A stock, the Security Transfer and Registrar Co., of 39 Broadway, New York City, has been appointed transfer agent.

Present officers and directors of the company are George J. Miller, president, Toronto; George Neukom, vice-president; Robert Schram, treasurer; Thomas R. Deacon, secretary. Other directors include Arthur T. Waterfall and Morris Kendrick of Detroit.

The company's property consists of 440 acres in Whitby township Porcupine district, Ontario, five miles from the Hollinger Mines. Two hundred acres are owned outright and 240 acres are held under option. The property, formerly known as the Scottish Ontario, was the site of the first gold find in Porcupine, in June, 1929. Approximately $2,500 in high grade ore was mined from the surface and shallow workings.

The early operations of the property were unfortunate. A shaft was sunk to a depth of 90 ft. by hand on the rich vein showing on the surface, but this vein dipped out of the shaft southward at an angle of approximately 45 degrees and owing to faulting was lost. Subsequently fire swept the country and interest in the property waned when the original operators ran out of cash.

Shaft Down 300 Feet

Since the organization of the present company in 1928 the shaft has been sunk as a three compartment to a depth of 300 feet and a crosscut running 382 ft. north and 320 ft. south, driven without picking up the original shaft vein. Recently diamond drilling undertaken from the face of the south crosscut on the 300 foot level and a horizontal hole 550 feet from the face encountered high grade ore for seven ft., with the drill still in ore.

Approximately 200 feet west of the present shaft an exploratory shaft is started on the shaft vein.

Several engineers have made favorable reports on the property and the opinion is that the property has a great deal of merit and warrants intelligent development.

It is further planned to erect a small mill when work gets under way to recover the high grade ore, and do bulk sampling.

Ontario Mines Output Up Despite Low Prices

Silver at New Bottom, But Mines Maintain Production; Late Figures Indicate Nickel Restricting Copper

The nine months report of the Ontario department of mines indicates that the value of metals produced during the current year will exceed that of the previous year despite the low prices of the base metals. The total mineral output promises to be somewhat short of last year owing to the curtailment of production of structural materials, principally the clay product.

The following is the department's estimate for the current year as compared with 1929:

Group	1929 (final) $	1930 (est.) $
Metals	83,967,446	84,000,000
Non-metals	8,621,427	8,500,000
Structural materials & clay products	25,371,849	21,500,000
Total	117,960,722	114,000,000

The production of the various metallic minerals for the first nine months of the current year as compared with a similar period last year is as follows:

Product	Quantity 1929	Quantity 1930	Value $ 1929	Value $ 1930
Gold, oz.	1,196,631	1,254,740	24,736,562	25,937,768
Silver, oz.	6,501,310	7,934,797	3,540,391	3,089,423
Platinum metals, oz.	14,599	26,775	528,201	1,155,635
Copper, metallic, and in ores exported, tons	24,195	45,679	8,826,048	10,003,262
Copper in matte exported*, tons	5,846	5,112	1,753,810	1,124,708
Nickel in matte exported*, tons	8,194	16,540	2,949,658	5,954,587
Nickel, metallic, tons	26,227	23,611	12,864,312	12,725,199
Nickel oxide, lb.	10,505,354	4,389,209	2,417,474	1,115,350
Nickel content of salts and residues, lb.	203,461	93,766	56,318	27,205
Cobalt, metallic & metal content of oxides, salts & unseparated oxides, lb.	703,694	474,681	1,379,829	819,828
Bismuth, lb.	21,061	5,799	18,733	3,037
Lead, pig, and in concentrates exported, lb.	3,946,038	1,957,822	251,684	111,431
Zinc in concentrates exported	1,813,285	1,891,700	119,858	88,796
Total	....	....	59,442,878	62,156,229

*Copper and nickel in matte valued at 15 and 18 cents per pound, respectively, in 1929 and at 11 and 18 cents in 1930.

Nickel-Copper Output Higher

The nickel-copper industry the first nine months period of 1930 showed a marked increase in ore raised and smelted, and in matte produced. The metal content of the matte, however, has undergone a decided change in tenor. Until 1928 the metals in the matte were in the proportion of 3 of nickel to 2 of copper, or 40 per cent copper. In 1929 the copper content was 43 per cent, while during the period under review the copper content increased to 53 per cent of the total metals. Matte exported approached its former rate, almost equalling that for the nine months of 1928, when 28,745 tons were exported. The matte shipped abroad contained a much higher proportion of nickel than formerly. The sales of nickel oxide on the other hand fell off considerably.

November Shows Big Drop

In October, production operations were restricted owing to the general situation in the nickel market, accentuated by an agreement among the copper producers of the world to curtail production. It is not believed that International Nickel, although probably sitting in at the conference of the copper producers, will consider a further restriction in the output of this metal, as it is known that in October it had already started to restrict production. How serious the curtailment of the nickel and copper output is may be judged by the figures for the current month. The Financial Post is officially advised that at the present rate, November will show an output of approximately 3,750,000 pounds of nickel and 7,500,000 pounds of copper as compared with nearly 15,000,000 pounds of copper in the immediately preceding months.

The following is a comparison of the smelter production during the first nine months as compared with the whole of last year. These figures include the ore smelted by the Falconbridge Nickel Co. but this amount is relatively small.

	1930 9 mo. end. Sept. 30	1929 Full Year
Ore hoisted, tons	1,641,643	1,991,910
Ore smelted, tons	1,779,066	2,033,457
Matte made, tons	122,396	132,030
Nickel content of matte, tons	45,790	59,095
Copper content of matte, tons	51,165	46,315

Silver at Lowest Figure

In July the price of silver fell to 34.346 cents per fine ounce on the New York market, the lowest average monthly quotation ever recorded. Despite this very low price the output of silver from Ontario mines continues to maintain its position and in the period under review actually showed an increase of more than 1,433,487 ounces. This favorable production results from the active exploration for cobalt ore which is now being carried on, and also from the increased recoveries from nickel-copper refining. During the period the average price of silver was 39.273 cents per ounce. Shipping mines at Cobalt were the O'Brien, Mining Corporation (Cobalt Reduction Co.) Nipissing, Agaunico, Cobalt, Contact and Beaver. In addition, some seventeen lessees operated old properties. At South Lorrain, the Keeley, Frontier and Lorrain Trout Lake shipped ore, while Gowganda was represented by the Castle-Trethewey, Miller Lake O'Brien and Morrison mines.

According to statements of the T. & N. O. Railway, the tonnages and destinations of ore and concentrates shipped during the period were: to Canadian points (Deloro and Noranda), 2,123.42 tons; United States, 358.89 tons; and Europe, 1,053.54 tons.

The following table compares the total quantity and value of silver production in 1929 and 1930:—

Silver	1929 (9 months) Ounces	1929 (9 months) Value	1930 (9 months) Ounces	1930 (9 months) Value
In bullion form	5,449.385	2,978,821	6,363,596	2,498,847
In ores, concentrates and residues exported	588,335	312,878	590,420	226,796
In crude gold bullion	184,963	98,714	227,286	90,186
Recovered in refining nickel-copper matte	278,627	149,978	753,495	273,594
Total	6,501,310	3,540,391	7,934,797	3,089,423

Lead-Zinc-Copper mines comprise the Treadwell-Yukon, situated 17 miles west of Sudbury; the Potter-Doal, near Matheson; and the Kingdon, at Galetta, near Ottawa. The output from these properties, supplemented by small quantities of lead and copper from the silver-cobalt mines, totalled 1,253,931 pounds of copper, 1,957,822 pounds of lead, and 1,891,700 pounds of zinc.

275 Tons at Treadwell-Yukon

The Treadwell-Yukon mine during the period raised on the average 275 tons per day, and there was active development on the 1,500-foot level.

The concentrates, of which there are three classes, predominating in lead, zinc or copper, are exported for treatment. The mill closed down temporarily in November.

Potter-Doal, which produced a copper ore, shipped directly to Noranda smelter.

The Kingdon Mining, Smelting & Manufacturing Co. operated its lead mine and smelter at Galetta and produced lead only. A small tonnage of copper-nickel ore was exported from Strathy township in the Timagami Provincial Forest.

Int. Nickel Will Issue Permanent Certificates

Shareholders of International Nickel Co. have been notified that permanent engraved certificates for both preferred and common stock are now ready for distribution upon surrender of the temporary certificates which have been in circulation. No certificates for more than 100 shares each will be issued.

Holders of the temporary certificates are requested to lodge certificates with the transfer agent of the company for exchange. The transfer agents are Bankers Trust Co., New York City; Royal Trust Co., Montreal; Toronto General Trusts Corp., Toronto, and Morgan, Grenfell & Co., London, Eng.

The form which shareholders are requested to use in sending in temporary certificates provides for description of certificate number and class of stock as well as name in which the stock is issued and the number of shares. Certificates should only be exchanged in London if London engraved certificates are required on which dividends are paid in sterling.

Turner Valley Drilling Report

Wells Drilled by Imperial Oil

PROGRESS REPORT—Week Ending Nov. 22, 1930

Name of Well	No.	Type	Depth last report feet	Present depth feet	Feet drilled feet	Remarks
Royalite	11	DD.	....	....	...	Rigging up diamond drill for clean out.
Royalite	20	R.	5031	5180	149	Making production test. Well has approximately 2,000,000 ft. of gas. (Top lime 4,890 ft.; 290 ft. in.)
Royalite	24	S.	5267	5267	...	Starting to drill out cement (Top lime 5,243 ft.)
Royalite	25	R.	3610	3763	153	Drilling in sand.
Foothills	3	DD.	....	....	...	Milling on drill rods at 3,919 ft.
Home	6	S.	4681	4681	...	Standing cemented (Top Home sand at 4,680 ft.)
Mayland	3	R.	6177	6177	...	Swabbing prior to production test. (Top lime 5,820 ft.; 357 ft. in lime).
Mayland	4	S.	999	1184	185	16 inch casing lowered to 1,149 ft., cleaning out.
Mayland	6	R.	....	72	72	Drilling in shale.
Lowery	2	R.	3738	3981	243	Drilling in shale.
C.D. & P.	1	R.	3059	....	...	Redrilled to 3,059 ft., drilling.
S. W. Pete.	2	R.	266	358	92	Drilling in shale.

NOTE: R—Rotary; S—Standard; DD—Diamond Drill.

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ONTARIO MINES SHOW ADVANCE LAST 3 MONTHS

Department of Mines Figures For Third Quarter Interesting

Production from Ontario's gold mines as reported by the department of mines, affords a comparison of the individual producers that do not make quarterly reports.

Tabulated below is a statement based on the returns to the government showing the output for the three months period ended September 30, a total for the first nine months and the total for all of 1929.

Production from the Porcupine camp still leads that of Kirkland Lake by a small margin, but indications are that the last quarter will show Kirkland Lake in the lead irrespective of the fact that Dome has again entered the ranks of the producers.

KIRKLAND LAKE AREA

	1930 3rd Quar.	1930 9 mo. total	1929 All
Barry-Hollinger			
Recov. value	$55,083	$157,239	$151,612
Tons milled.	7,988	23,839	22,343
Aver. per ton	$6.90	$6.60	$6.85
Daily aver.	89	88	62
Kirkland Lake Gold			
Recov. value	$141,865	$378,158	$358,625
Tons milled.	13,035	39,440	53,595
Aver. per ton	$10.90	$9.60	$6.60
Daily aver..	145	146	135
Lake Shore			
Recov. value	$1,799,999	$5,546,780	$6,080,189
Tons milled.	122,515	365,404	430,170
Aver. per ton	$14.70	$13.80	$14.12
Daily aver...	1,360	1,350	1,195
Sylvanite			
Recov. value	$206,263	$580,023	$689,465
Tons milled.	20,805	58,782	74,523
Aver. per ton	$9.92	$9.88	$9.25
Daily aver...	227	217	207
Teck-Hughes			
Recov. value	$1,877,184	$4,160,573	$5,047,420
Tons milled.	85,250	253,205	337,630
Aver. per ton	$16.15	$16.43	$14.95
Daily aver...	947	938	937
Wright Hargreaves			
Recov. value	$633,294	$1,750,680	$1,741,872
Tons milled.	57,140	157,870	188,238
Aver. per ton	$11.07	$11.10	$9.25
Daily aver...	635	584	525

PORCUPINE AREA

	1930 3rd Quar.	1930 9 mo. total	1929 All
Coniaurum			
Recov. value	$186,335	$549,541	$666,549
Tons milled.	31,463	90,320	103,293
Aver. per ton	$5.92	$6.08	$6.46
Daily aver...	348	335	287
Hollinger			
Recov. value	$2,415,866	$7,452,305	$9,433,767
Tons milled.	407,558	1,209,670	1,549,157
Aver. per ton	$5.93	$6.16	$6.08
Daily aver...	4,530	4,480	4,300
McIntyre-Porcupine			
Recov. value	$1,177,363	$3,516,282	$4,295,491
Tons milled.	144,240	424,100	550,100
Aver. per ton	$8.17	$8.29	$7.80
Daily aver...	1,600	1,570	1,530
Vipond			
Recov. value	$250,660	$699,504	$819,834
Tons milled.	28,793	85,838	108,225
Aver. per ton	$8.98	$8.15	$7.64
Daily aver...	320	318	300

TECK-HUGHES NOW PREPARED TO GO DEEPER

Annual Meeting Brings No New Information on Findings

BROKEN ORE BETTER

Public Left to Guess Developments at Depth; Confidence in Future

At the annual meeting of Teck-Hughes Gold Mines shareholders, held in Buffalo, November 19, D. L. H. Forbes, general manager of the company, said new shaft facilities were such that the company was prepared to follow the ore to a depth of 10,000 ft. if necessary.

No further information was given shareholders on ore reserves other than that outlined in the annual report, except that Mr. Forbes said broken ore reserves had increased from $17.40, shown in the report, to over $18 per ton. It was mentioned that the grade of ore estimated in the reserves included contingencies for dilution in mining.

Emmons is New Director

All the existing directors were re-elected and in addition Kinzing P. Emmons, of New York, assistant treasurer of the company, went on the board as representing the Denison estate. Another director, presumably a Canadian, is yet to be elected to complete the directorate.

Shareholders had expected that some information would be given on developments at depth. It is generally believed that developments at depth have been of a satisfactory nature, but this belief is founded purly on conjecture and still lacks official confirmation except as indicated by the construction programme under way.

It has been reported that Teck-Hughes "is proceeding on well founded assumption that ore continues to depth, in volume and grade to justify the action taken." What developments at depth have disclosed have not been officially imparted to the shareholders. It is generally understood that the very nature of the deposits of our northern gold and silver mines precludes development of large ore reserves without large expenditures. Where the geology is favorable there are well known and established economic limits that are observed by the majority of Canadian gold producers.

Bear Raid on Stock

The evil of incomplete information was exemplified by the recent market break of Teck-Hughes stock following the annual report, when an effort was made to stampede selling because only two years' ore was shown.

An indication of how attempts are made to mold public opinion, when Teck-Hughes officials are reticent is examplified in the following broker's comment:

"The company does not issue any statement of 'indicated ore reserves or values' and in calculating the total reserves ore and values will necessarily have to be estimated.

"In round figures it may be assumed that a solid block of ore exists, extending 1,200 feet along the strike of the vein by 4,000 feet deep by an average width of 15 feet, and allowing that the whole of this ore would be mined and be profitable, it would total approximately 6,000,000 tons. There has been mined and milled a total of 760,000 tons, which deducted from the total probable ore reserves of 6,000,000 tons leaves a balance of 5,240,000 tons of probable ore yet to be milled. It is postulated that the average value of probable ore will amount to approximately $22 per ton. The total, therefore, of the 5,240,000 tons would be valued at $115,280,000.00."

Another statement referred to the recent estimate of two years ore as "not including any ore below the 21st level as every shareholder knows," while still another said "veins have been opened, widths have been established down to 3,000 ft. as normal and values at higher than normal for the mine."

SAN ANTONIO SEEKS ADDITIONAL FUNDS

Takes Option on Scarab Mines Property on Share Basis

Proposed financing for San Antonio Mines is still pending and it will not be before December 15 that a definite announcement can be made.

Last week the company took an option on the property of the Scarab Mines Ltd. This company owns 260 acres immediately east of San Antonio in the Rice Lake district of Manitoba. It is capitalized at 200,000 shares of no par value of which 137,975 shares are issued, and it is understood that should the option be exercised, that it calls for an exchange of shares.

San Antonio has been under development since 1927. It has a shaft down 975 ft. and has carried out development work which indicates 61,000 tons of gold ore averaging $13.35 per ton, but operations were suspended late in August owing to the lack of cash.

In March, this year, Bobjo Mines assisted in ffinancing the company's operations by taking up 600,000 shares at 15 cents per share. Bobjo also held an option to take up a further 850,000 shares at 50 cents per share but this option was not exercised although Bobjo has approximately $47,000 remaining in its treasury.

Trail Ore Receipts

Following is a statement of ore received at the Trail Smelter for the period November 8th to November 14th, 1930, inclusive:

Bell	Beaverdell	52
Planet	Nicola	25
Sally	Beaverdell	48
Union	Lynch Creek	31
Wellington	Beaverdell	39
		195
Company Mines,		8,483
Total		8,678

Northern Ontario Ships Berries

This year about 140,000 bushels of blueberries were shipped from Northern Ontario to Toronto and other centres, where they found a ready market. During the height of the season as many as 1,100 baskets were shipped daily from North Bay by express.

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Mine Making Will Go on Despite Brokerage Scandal

Future Depends on Finding of Properties of Real Merit, George C. Bateman Points Out in Address in British Columbia

From Our Own Correspondent

VANCOUVER.—Arrest of a few brokers will not result in giving mining in Canada a permanent setback, declared George C. Bateman, secretary of the Ontario Mining Association, in addressing a meeting of the B. C. division, Canadian Mining Institute, here.

"The prosperity of mining does not depend on either brokers or Governments, any more than the prosperity of the country depends on them," said Mr. Bateman. "What the prosperity of mining does depend on are properties of merit, but unfortunately during the last few years there have been few important discoveries.

"To offset this lack of discoveries, artificial stimulation was needed, but the only acceleration we really needed was new discoveries to foster prospecting and new properties of merit to promote exploration."

In this age of specialists, continued Mr. Bateman, the broker may be said to play an essential part in the mining industry as a security merchant, but it is equally true that he is not essential as a promoter.

"Brokers have a useful and necessary part to play, and for the proper performance of that part they deserve credit," declared Mr. Bateman.

"But the industry is much more important than either the brokers of the exchanges. Unfortunately, however, (and for this I think that the engineer is partly to blame for not having spoken out) the brokers, through their propaganda and advertising, gradually led the public to believe that they were the chief factor in the situation, and probably ended up by believing it themselves.

"If the charges made against the brokers are true and much of the money for new developments has been raised by questionable methods, then I would say that we are better off without it. Mining is too big and important an industry to have to cater to practices of which we do not approve, and even if the result is a slowing up of prospecting and development of new properties until public confidence is restored, I feel sure that it is much better for us to proceed along the slower and more conservative lines."

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A two-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets sepaarte from mining enquiries. No answers can be given by telephone or telegram.

Dome; Teck-Hughes

Which of the following holds the most promise of appreciation over a period of one or two years: Dome Mines, Teck - Hughes, Wright - Hargreaves or Vipond?

I own some Teck-Hughes at present and am considering buying others in the above list.

Dome Mines, in our opinion, holds promise as an investment at current prices. Its earnings this past year have been considerably in excess of dividend requirements of $1 per share which now gives the stock a yield of over 10 per cent.

Teck-Hughes' earnings are satisfactory, and within the next 12 months should be materially increased owing to expansion and construction now under way. At present prices the return is over 10 per cent, and the future earnings should make a substantial increase in dividends possible. We believe it to be one of the more attractive dividend-paying gold stocks.

Wright-Hargreaves has staged a rapid come-back and is now producing more gold than at any time in its history. The announcement of resumption of dividends was not unexpected, and indications are that the company's earnings for this year will be such that quarterly dividends can be maintained so as to give in excess of 10 per cent yield on current prices.

Vipond Consolidated Mines, the annual report of which has just been published, and shows that the company had the biggest year in its history with earnings of over 13 cents per share. While the company is making satisfactory progress it cannot be classified as an investment, but it does offer opportunities for speculation.

Onalto Oils

A client of ours has money invested in Onalto Oils. Any recent information you can supply us on this company will be much appreciated.

Onalto Oil has one well drilled to a depth of approximately 2,000 ft. where it encountered a small flow of oil, and a second well has been drilled to approximately 1,500 ft. This company's property is all in the Wainwright field of Alberta which to date has not demonstrated that it is a commercial producing field. Most of the wells drilled get a small flow of thick, heavy oil that has very little commercial value. The flow from the best well in the area cannot be considered a commercial success and the oil is of a very poor grade. The prospects for Onalto are about as bright as any in the field, but none have demonstrated that they are of commercial importance. The second well which has been drilling is now waiting, and we understand that finances are holding up further operations.

Shares in the company can be considered only as an outside speculation with little chance of the company meeting with success.

Wright-Hargreaves

I am holding 100 shares of Wright-Hargreaves purchased at $5.50 and also have a loss on Howey. What is your advice on these stocks. Which would you favor for immediate purchase of International Nickel, Noranda, and Sherritt-Gordon?

In our opinion you should hold Wright Hargreaves as the company is making excellent progress and has just announced resumption of dividends.

We do not regard Howey favorably as an investment, and believe that a reorganization is in the offing which will further depress this stock. Its possibilities are also very much questioned.

We regard International Nickel one of the outstanding investments in Canadian enterprises today, and its purchase for a hold around current prices should provide a very satisfactory investment. It is highly improbable that the earnings of the last six months of this year will be sufficient to meet dividend requirements and that a reaction upon this announcement will further depress the stock, but taking a long viewpoint we believe it represents an outstanding investment.

Noranda, purchased around current levels, is looked upon as desirable. There is evidence that the current dividends are not being earned and that they will be reduced which may depress the stocks further, but irrespective of this we believe that purchased around present prices for a hold it will provide a very satisfactory investment.

The company is one of the lowest-cost copper producers on the continent and the gold content of its ore is increasing. The company has pursued the policy of controlling the metal from mine to market, and its subsidiary has under construction a new copper refinery at Montreal East. Its interest in the Canada Wire & Cable Co. makes secure a market for its products.

Sherritt-Gordon is not regarded as a satisfactory investment at the present time. Doubtless the market value of this stock does not represent even the development and physical expenditures made, yet owing to the conditions of the base-metal market and the fact that earnings of the company have yet to be demonstrated we would be inclined to make no commitments of this stock until such time as further increases in metal prices are imminent.

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U.S. Interests Supply Cash Junior Frood

Shareholders of Junior Frood Mine met on November 22 and ratified an option agreement whereby the Engineers Exploration Syndicate of New York and the Exploration Co. of California, provide the company with $1,000,000 for development work in consideration of controlling interest in the company.

The Junior Frood owns 480 acres in Blezard township, Sudbury district, Ontario, adjoining Frood mine on the northwest. It is the nearest outside property to the former Mond shaft of the famous mine. It is capitalized at $200,000 in $1 par value shares of which $105,733 are outstanding.

Under the terms of the agreement, all the money is to go for proving up the property, it being felt that less than $1,000,000 would not determine its possibilities. It is known that the Frood ore body is pitching in the direction of the company's property, being parallel to the bedding of the surrounding sediments, and it is believed that the ore body will be found to encroach on the property of the company at depths at which mining is feasible.

Prosperity Mine Profit Increasing

Net profits for October from operations at the Prosperity mine, controlled by Premier Gold Mining Co. amounted to $20,248.

The production for the month was 1,604 tons averaging $24.18 per ton. This compares with net profits of $12,211 in September. Net profits for the 12 months since production started amounted to $192,155.

An Opinion on 6 Leading
Gold Stocks
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Wright-Hargreaves
Teck-Hughes — Lake Shore
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INVESTMENT COMPANIES ARE OF REAL SERVICE

Canadian Organizations Come Through 1929 Panic Better Than U. S. Groups

(Continued from page 11)

industrial stocks during the seven-year bull market to realize the danger in disregarding this cardinal principle of investment-diversification.

An investment in one of these groups in 1923 would have resulted in almost total elimination of capital by 1929, while if an investor had diversified into securities from other industries such as the utility, electrical equipment or steel groups in addition to one of the above, the loss would probably have been cancelled by the generous profits which accrued to shareholders in the more favored industrial companies during that period.

Moreover, one country may be prospering while another lies in the trough of a severe depression, while in the present period of world deflation there are undoubtedly some countries which will recover much more rapidly than others. Therefore, it is not orthodox to have all the funds in one country. Moreover, as there are periods like the immediate past when bonds have risen while stocks have fallen, and as the reverse is true in "good times" or in a "bull market" when stocks go up and bonds go down, conservatism demands that a fair ratio of both bonds and stocks be included in any well-managed porfolio. Each class has its own forte—bonds for security—short term notes for stability—common stocks for appreciation and preferred stocks for yield. The manner in which funds of nine Canadian trusts have been distributed are illustrated in Table 1.

Good Management is Vital

Essential as intelligent diversification is to the success of an investment trust, undoubtedly the most influential factor in achieving ultimate prosperity is the character and skill of its management.

In this respect, most Canadian investment trusts are fortunate in having guidance and expert advice from outstanding business men, representative of practically every industry and profession. Moreover, they are usually men of practical experience in the investment business and fully alive to the responsibilities of trust which they hold. On practically every board of directors you will find experienced investment bankers, accountants, barristers, economists, insurance and banking men, and executive heads of large organizations in every line of industry. This wealth of ability and vision thus brought together into one management certainly augurs well for the success of investment trusts.

Therefore, the investment trust theory appears to be a sound one. Adequate diversification certainly limits the risk in investment and, when accompanied by skilled management that provides expert supervision, the existence, growth and ultimate prosperity of this type of company is not only justified but assured.

It is extremely difficult to scientifically appraise the leading investment trusts of Canada, as the majority of companies have had such a limited experience. Many did not begin operations until 1929, the peak year of an abnormal period in stock market history, and have since then faced one of the most severe bear markets of all time. Moreover, an additional obstacle encountered in appraising the future prospects of these companies arises from the inadequate financial reports of most of them. However, there is sufficient data available to attempt some general comparisons of current relative positions of the Canadian investment trusts, particularly during the past year.

Some Reports Withheld

The companies that have disclosed their true position by issuing statements from Oct. 31, 1929, to the present date are the only ones considered in this analysis. The result of the comparisons show the average investment trust has done exceptionally well. But here allowance must be made for the favorable showing, as there is a distinct possibility that if other investment trusts that have refused to disclose their experience in passing through the panic of 1929, had revealed their true position and were included in the comparisons, the net result might not be so favorable.

The primary consideration in any approach to a study of investment trusts that deserves special emphasis is the amount of appreciation or depreciation in the net worth or net assets value of the shares of a corporation between two respective dates. However, in the case of Canadian trusts this information is available in only a few instances In order to arrive at a result, the issued price, in the case of recently formed trusts or the highest market quotation in the older organizations, has been compared with the liquidating value at the various dates of analysis. In most cases the issued price or highest market quotation would be nearly equivalent to the liquidating value prior to the panic of last autumn. In Table 1, the present price, dividend rate and yield is also indicated. Although there are over 50 trusts in operation in Canada, there are only eleven that are listed on a recognized stock exchange or quoted in the over-the-counter market. This table consists only of readily-marketable securities.

Do Better Than U. S.

From this table we find first, that the present market price for eleven companies is approximately 57 per cent of market prices prevailing prior to the panic. This compares, as mentioned before, with the present market price valuation of 13 United States issues of only 19 per cent of pre-panic prices, thus indicating the much greater severity of price decline suffered by the American trusts.

Second, we find that stocks are selling now at a discount of 19 per cent from their liquidating or book value at last date of analysis, and lastly the average difference between their pre-panic price and issued price compared with last recorded book or liquidating value, showed a shrinkage of 27 per cent.

Although actions since respective dates of analysis of these trusts are not known, it is reasonable to suppose that there has been no widespread selling among these investment companies which are devoted to holding their securities, primarily for the long hold. The average additional decline likely to have been experienced by this group of investment trusts, assuming these companies displayed no better skill than the average tyro in market forecasting, would be approximately 25 per cent up to the end of October. This would bring the recorded liquidating values in close alignment with present market prices. However, many of these investment trusts may have anticipated lower prices, and improved this assumed position by the disposal of large blocks of their securities at more favorable prices than those now prevailing.

Results are Gratifying

In Table III are shown the earning results of 15 Canadian trusts for 1929 and which includes the panic of October and November. The combined result is very gratifying to sponsors of the investment trust idea in Canada. Average earnings for the year amount to 9.7 per cent which, considering the youthfulness of these organizations, compare very favorably with the British trusts.

But even more pleasing is the fact that the average percentage earned on invested capital from interest and dividends alone for 11 companies was 4.9 per cent. This compares with 3.35 per cent, the average percentage that must be earned on total invested capital to pay fixed charges. This indicates that these trusts are following closely the British principle that an investment trust should be primarily concerned with investment rather than speculation and have been formed with a view to obtaining income from interest and dividends paid by the underlying securities rather than expected profit from shrewd market operations.

That investment trusts have done remarkably well, considering the subnormal markets they have had to contend with, is amply shown by the experience of the five trusts that were incorporated in 1929 and included in Table III—Canadian Investors Corp., Consolidated Investment Corp., Dominion Scottish Investments, Great Britain & Canada Investment Corp. and Investment Foundation.

Had Cash Reserves

Cost value of securities purchased by these trusts amounted to $38,995,604 on which the companies suffered a combined net depreciation of $3,709,923 or 9.51 per cent. This was after adding special reserves to provide for fluctuations and surplus to market value. Moreover, these companies had reserve funds consisting of cash and call loans amounting to 22.8 per cent of total capital, awaiting an opportunity to purchase more securities at bargain levels.

Compare their condition with that of the average investor or speculator. Hundreds of thousands of individual investors in Canada and the United States over-extended themselves during the market advance—a thoroughly characteristic practice in any kind of a market boom—and found themselves carrying an amount of stocks which they could not afford to protect in the break. These investors were utterly, definitely and irretrievably wiped out during the zero hour of the stock market panic. The investment trusts were not wiped out during the break, not one single one of them. Here, indeed, is an important distinction.

The principal function of the investment trust is to provide a comparatively safe and profitable medium for the employment of funds of the average investor whose resources are too limited to enable a proper diversification of investment holdings. But the investment trust possesses other real advantages over the average investor. Selection of the securities in the investment fund is accomplished with greater skill on account of the trust's larger facilities for obtaining information. The investment trust saves time, worry and expense for the investor by acting as custodian for his securities, collecting dribbling dividend and interest cheques, exercising or selling rights to purchase new stock, selling or retaining of stock dividends, collecting of redeemed bonds, etc.

The average investor becomes bewildered at the great variety of securities listed and offered, and is unable intelligently to interpret the intricacies of the financial statements, the constantly changing conditions in government and industry, and in the various phases of credit cycle.

Therefore, the great majority of the people either deprive themselves of a reasonable return by seeking safety only, or else go to the other extreme and needlessly risk their hard earned savings in "flyers," which have little or no merit. It is not difficult, therefore, to realize the extent to which the well-managed investment trust meets this particular situation when the security market and business outlook is so obscure. The Canadian investment trusts, as shown in Table III have certainly met this supreme test of management in a very capable manner and unquestionably have excelled the average investor during this unprecedented period in stock market history.

Present May Be Propitious

Is the present time propitious for the purchase of investment securities? This question naturally depends on the outlook for the general market, as investment trust securities invariably sell on the basis of liquidating value. Investment shares in the past have shown a tendency to appreciate more rapidly than the general market when stock price movements have been on the up grade and conversely, have declined much more rapidly during periods of recession.

The consensus of opinion at the present time is that although the market may still work moderately lower over the next few months, the worst of the depression is now behind us. However, with the majority of investment trusts selling at or lower than their break-up value, after such a severe decline, consideration should be given to these issues at the present time, as an investment for long term holding and offering decided opportunities for appreciation at present deflated levels.

Tests Should be Applied

If the present time is favorable to participation in investment trust securities what factors should be considered by an investor in determining the best vehicle for his funds? There are numerous tests than an investor might apply in choosing an investment trust, chief of which are the following:

1. **Management** should be of high calibre and composed of men whose sole aims are to buy for the trust fund the very safest and most promising stocks; to take from the trust only a reasonable compensation and to see that the profits arising from dividends and equities are made available to the investor.

2. **Diversification**—there should be wide distribution of risk among investments involving bonds as well as stocks.

3. **Supervision**—continuous competent supervision with no ulterior motives beyond maintenance of the soundest possible investment position.

4. **Capital Structure**—should be in such conservative ratios that the prior charges are not excessive and so that management is not forced into questionable securities in order to meet dividend requirements.

5. **Bank Loans**—avoidance except in moderate amount and purely for temporary purposes.

6. **Control** A clear statement should be made showing exactly where the control lies and who constitutes the active management.

7. **Regular information** should be supplied shareholders at least once a ear showing income from interest and ividends segregated from that of sale f securities, balance sheet with maret value of securities indicated, perntages invested in various classes, d types of securities and a list of rtfolio holdings as at some recent te.

8. **Management compensation**—should e reasonable. Should not be more an 1 per cent of total assets or more an 10 per cent of the profits over d above fixed dividend requirements.

9. **Warrants, rights, etc.** There hould be no unfair provisions wherey managers have rights to buy common stock in the future on any terms save those open to any other shareholder.

10. **Common Stock**—particular study should be made of this equity; what percentage is owned by the management, how much was paid to acquire it and to decide whether the sponsors are securing all the "cream" without fair value being given to the trust.

11. **Accounting**—Should be made at regular intervals.

12. **Size**—Company should be sufficiently large to permit the overhead for capable management.

13. **Liquid position**—Company should be ready for any emergency by confining investments mainly to high-grade, seasoned and marketable securities, and by holding reasonable proportions in cash and call loans to take advantage of buying opportunities during a period of depression.

14. **Reserves**—Current cash earnings and especially profits from sale of securities should be accumulated as a reserve to provide for unusual market fluctuations in the future.

15. **Market Position**—Shares should be offered at a reasonable price with regards to book value and earning possibilities and the policy of maintaining price of company's shares at high or fictitious market quotations should not be indulged in by sponsors.

16. **Sponsors**—If controlled or managed by an investment house, careful scrutiny of portfolio holdings should be made to discover, if possible, if trust is being used as a depositary for securities sponsored by an underwriting house that might otherwise be unmarketable.

17. **Choice of securities**—determine if management is showing unbiased judgment in selection of securities or whether trust is being loaded up with each "pet" stock of the various directors.

18. **Concentration of management.** With extensive powers is a feature of the utmost importance, avoiding the delay and lack of positive action that usually result when many individuals holding diverse opinions, attempt to translate their ideas into action.

TABLE V.

How Expenses Are Provided For

	% Expenses of management to total assets	% Required to earn on assets to cover fixed charges	Total % required on assets before common	Total earnings on assets 1929-30	Available for common and reserves
Aldred Inv. Corp.	0.21%	4.32%	4.53%	6.40%	1.87%
British and Foreign Inv.	0.87	2.09	2.96	8.10	5.14
Canadian General Inv. Trust	0.55	2.37	2.92	9.10	6.18
Canadian Power & Paper Inv.	0.54	4.41	4.95	9.30	4.35
Consolidated Inv. Corp.	0.23	3.60	3.83	5.20	1.37
Diversified Standard Sec.	0.58	4.91	5.49	6.50	1.01
Foreign Power Secs.	0.53	3.35	3.88	7.20	3.32
Founders Inv. Trust	0 69	2.93	3.62	8.20	4.58
Great Britain and Canada	0.61	3.98	4.59	11.60	7.01
Hydro Electric Secs.	0.23	2.18	2.41	15.10	12.69
Investment Bond and Share	0.32	4.56	4.88	5.70	0.82
Investment Foundation	0.54	3.71	4.25	9.60	5.35
London-Canadian Inv. Corp.	0.34	3.92	4.26	5.10	0.84
Public Utility Inv.	1.59	1.10	2.69	21.80	19.11
United Bond and Share	0.93	4.59	5.52	17.10	11.58
Average—16 companies	0.60%	3.35%	3.95%	9.86%	5.91%

Three Vital Factors

Of these various factors in the analysis of an investment trust, probably the three that require the most searching analysis from a prospective investor are the capital structure, the choice of securities and the management compensation.

The claim has often been made that all the profits of an investment trust go to the promoters and managers who put up little or no money and manage through their rigged capital structures to completely take away control from the investors. This charge is not altogether without foundation as many investment companies are so capitalized as to give little incentive to becoming a shareholder in the organization. Consider the case of one corporation. The promoters of this company issued cumulative preferred at par to yield the treasury $25,000,000, and gave as a bonus, 250,000 shares of common stock on the basis of 1 share of common for 1 share of preferred. A second preferred stock was then created and purchased en bloc, by the promoters or sponsors—50,000 shares at par, or $5,000,000 for the treasury. But the sponsors were presented with 750,000 shares of common stock as bonus.

The set-up then had this appearance:

Public	
250,000 shares pref. 6% ...	$25,000,000
250,000 shares of common	Nothing paid
Total investment	$25,000,000
Sponsors	
50,000 shares of 2nd pref. 6%	$5,000,000
750,000 shares of common	Nothing paid
Total investment	$5,000,000

Now the company has to earn a net of only 6 per cent on total capital to cover dividend requirements on both first and second preferred for the first year. Therefore it is probable that promoters would receive at least an equal interest return as the public on their investment during the initial year. Also for managing the trust, a fee would be extracted for the year and in addition a certain amount of commission would have been received from sales of 1st preferred.

Now suppose the company commences to prosper and a dividend of $1 per share is declared on the common. Then we see a picture like this:

Public	
Div. rec. on 1st pref.	$1,500,000
Div. rec. on common	250,000
	1,750,000
Net result on invested capital of $25,000,000	7%
Sponsors	
Div. rec. on 2nd pref.	300,000
Div. rec. on common	750,000
	$1,050,000
Net result on invested capital of $5,000,000	21%

But when dividend of $1 has been declared the common stock would be worth at least $20 per share in any normal market. During the peak of 1929 this common stock actually sold over $60 per share. The first preferred would then be worth its call price of 105 and the 2nd preferred at or near par. Therefore, the value of the respective securities owned by the public and promoters would be approximately as follows:

	Value
Public	
1st preferred at 105	$26,250,000
250,000 shares of common @ 20	5,000,000
Net worth	31,250,000
Invested capital	25,000,000
Appreciation of capital ...	25%
Sponsors	
2nd preferred @ 100	5,000,000
750,000 shares @ 20	15,000,000
Net worth	$20,000,000
Invested capital	5,000,000
Appreciation of capital ...	300%

And now, with the common stock becoming valuable, it would be quite possible and probable that the investment house would gradually dispose of their second preferred stock until eventually sponsors would own only 750,000 shares of common out of the 1,000,000 shares outstanding. Thus, without having a cent of their own money any longer in the organization they would have control of this $30,000,000 to perpetuity. If the company later failed the public would lose money and the sponsors a little of their goodwill only.

Appears One-Sided

The sponsors will undoubtedly contend that it was necessary for them to sell the 25,000,000 1st preferred and risk $5,000,000 of their own money, but the above capital structure appears altogether too one-sided.

On the whole, the capital structures of the Canadian investment trusts are fundamentally sound. A comparative analysis of 20 Canadian Trusts and corporations has been prepared and illustrated in Table IV. A noticeable feature from this comparison is the fact that the average funded debt of these investment companies is only 26.1 per cent.

In this respect Canadian companies differ from the British trusts and is a result of the ease with which stock issues were sold during the 1926-1929 period and the comparative unpopularity of bonds as a medium of investment. A comparative capitalization analysis of 21 Scottish trusts was as follows: Funded debt 48.1 per cent, preferred 28.6 per cent and common stock 23.3 per cent while 23 English trusts showed the relation of 41.9 per cent, 28.8 per cent and 29.3 per cent respectively.

When the Prop is Moved

Considerable danger exists if the underlying securities of an investment trust or corporation consists principally of the underwritings or sponsored issues of the managing company. The plight of the Prince & Whitely Trading Corp. is a painful example of what might happen when this occurs. Upon news of the failure of the brokerage firm, all the issues of Prince & Whitely suffered a collapse, and the Trading Corporation then found itself loaded with issues which could not readily be marketed and only with tremendous losses. In other words, the "prop" was gone!

Management compensation also requires careful analysis to determine whether it is excessive or not. There are an infinite number of ways whereby the large slice of the profits is kept for the insiders—the managers may own all or a very large percentage of the common stock as mentioned above; they may have warrants and options to purchase common stock at an undervalued figure and for a considerable time in the future, or they may be able to take out the money in the form of expenses or managerial fees. The principal objection comes when the amount so to be taken out is not clearly set forth. The most satisfactory investment trusts to invest in, are those that state that management will receive a fixed percentage of profits or a stated percentage of the total assets rather than free common stock or other less desirable methods of remunerating the management.

Trusts Here Compare Well

In the first column of Table V., management fees and other expenses excluding income tax are shown as a percentage of the total invested assets and here again the Canadian investment trusts compare favorably with the best—even the British Trusts are only slightly better with an average of 0.44 per cent. That the average common stock has distinct possibilities of obtaining a fair share of the success of these trusts, is shown in second column where percentage of earnings required on total capital to meet the fixed cost of senior capital is only 3.35 per cent for 16 Canadian Trusts analysed. This compares with 3.54 per cent for 10 British Companies and 4.27 per cent for 10 United States companies. Total earnings on assets also compare favorably with that of other older trusts in spite of the abnormality of the 1929-1930 period.

Much discussion has been aroused this past year as to the relative merits of the fixed or semi-fixed types compared with the general management investment trusts. Since management had shown an inability to prevent losses in the portfolio, why should an investor pay in some cases a premium for this factor which has proved of no value to him? Why should he not buy into a fixed portfolio that has no management fees outside of initial expenses? Generally, it may be stated that the management trust is superior provided the management is of a high quality. If those guiding the destiny of the trust are of inferior ability, probably the fixed or semi-fixed type of trust deserves to be the more popular. However, each type of investment trust has its own purposes, its own structure, its own method of operation, its own appeal to its own class or type of investor.

Features of Fixed Trust

Let us consider here the relative advantages and disadvantages of the fixed type of investment trust. The principal reasons for its existence are among the following: The certificates offered by the fixed trust are low priced, usually from $10 to $15; fixed trust has appeal to the average investor in common stock equities as portfolio consists of only common stocks; the investor knows at all times the securities in which he has an interest; possibilities of a loss through dishonesty are slight, as trust is set up by an arrangement of a depositor company with a trustee; the value of the portfolio is known at all times as the market price of the certificates of the fixed trust, merely rises and falls with the underlying value of the collateral backing up each certificate; investor does not face the possibility of placing his funds with a company which may be poorly managed.

But this type of company is not without its disadvantages, the greatest of which is the fixed nature of the portfolio, thus not allowing for conditions which are steadily changing for better or worse. In the course of ten years or even during a shorter period, a common stock which now has a high rating may have a very low rating.

Values Changed

Consider the recent case of American Radiator & Standard Sanitary Corp. which reduced dividend from $1.50 to $1 per annum. As this company was one of the older and more prosperous American corporations operating in a basic industry, it was highly favored among fixed and semi-fixed investment trusts throughout America and was thought to be practically immune to business depressions, and therefore dividend rate appeared to be secure. Before the merger last year, American Radiator was rated A by Moody's, then was reduced to BAA, after the merger and it is likely now, rating will be reduced another notch. If so, Custodian Shares (both 1st and 2nd trusts) will be forced to liquidate this stock, as there is a provision in the indenture that says that any stock must be sold if Moody rating falls below BAA. Therefore, if the semi-fixed trust is forced to remove this issue from the portfolio, the stock is certainly not an ideal one to carry along in the fixed trust. American companies like Basic Industry Shares and Diversified Trustee Shares are compelled to retain this security as they are forbidden to eliminate any stock in the portfolio Canadian International Trustee Shares only recently formed, have almost 1/12 of their funds invested in Brazilian Traction which has since substituted a stock dividend of 2 per cent for a cash dividend of 50 cents on account of the resolution in Brazil. Moreover dividend rate of three other companies included in this fixed portfolio are not covered by current earnings and are therefore not secure especially if the depression continues longer than anticipated.

Fixed Trust Not Favored

Other disadvantages that might be mentioned include the lack of diversification into bonds and preferred stocks, both of which have their particularly profitable period in the ever-recurring market cycle. In addition, large profits available through scientific investing and reinvesting of the funds are not possible, and therefore the fixed trust does not offer the investor the same possibilities of growth. Moreover, it seems ridiculous to pay a heavy loading charge of from 7½ per cent to 10 per cent above liquidating value, in the form of management charges and sales commissions to the managers and promoters of the fixed trust, who by its very charter are restricted from using very little, if any, judgment in the success of this type of investment trust.

At the present time, with most general management investment trusts selling at a discount (in some cases a substantial one) there appears to be little incentive for purchasing fixed investment trusts and thereby paying a premium over the market value of underlying securities.

The problem now confronted is that of determining the probable future of the investment trusts in Canada, and to gauge their prospects both as long and near term holdings. Investment trusts of the conservative general management type which diversify their commitments reasonably in various industries in Canada and the United States, undoubtedly hold considerabl promise. Their continued progres however, will naturally depend upo the capabilities of the managemen The experience gained during th hectic market years of 1929 and 19 will be of immeasurable aid to invesment trust managers and officials i their future development of Canadia investment trusts.

Mergers Are Foreseen

The position of investment trust will probably become more secure an the average investor more confiden of this type of security, if a series o mergers take place. Under presen market conditions the raising of new capital is extremely difficult and a tendency toward consolidation woul therefore appear to be a logical one Many of the trusts are hampered b too many or severe restrictions an a tendency has recently been note toward giving the management more opportunities to manage, rather than be controlled by such inflexible rules

Increased publication of trust portfolios has been a pleasing feature of the past years. In this way the trust ceases to be a blind pool, policies are more quickly revealed, and public confidence is increased as it is shown that the trust is ashamed of nothing and has nothing to hide.

There has been a tendency toward concentration of investments among outstanding corporations, rather than over diversification. The broadly diversified trust has relatively small holdings in a great many issues. By its very nature, however, it is attempting to secure a representative average; it cannot, therefore, hope to turn in more than an average performance. Moreover, it is decidedly costly as it requires a large staff to keep in touch with so many securities. No human being working under ordinary limitations of time and energy can possibly give personal attention to more than a certain number. But the primary object of buying into an investment trust should be the desire to have expert and constant management which can do better than the average. The realization of this has caused one prominent Canadian investment trust to have its charter amended to enable it to give more specialized attention to securities.

Investment in one particular industry has been adjudged a failure, due in this case, to lack of diversification. Trusts specializing in such industries as the aircraft, oil, mining or even utility groups, have already or have under contemplation a change in the charter to permit more adequate diversification.

Will Do Better In Future

Thus out of the many problems that investment management has had to face since the inauguration of the movement in 1926, a new and sounder investment trust is gradually emerging. The investment trusts of the future will have the added advantage of a more experienced and better management. A more cautious market policy, a more thorough examination of securities as a result of concentration rather than over-diversification; a saner capitalization with a tendency to reduce fixed charges to a minimum, all will come as an aftermath of the trying period through which the investment trust is passing.

But during this supreme test the average Canadian investment trust has performed creditably, has proved to the world the soundness of the investment trust idea and its superiority over that of the average investor. It has been able to build up a satisfactory reserve and surplus position in spite of the unsatisfactory market position, and meanwhile suffered only a moderate depreciation, has shown the necessity of adequate diversification with a backlog of cash and call loans ready for any emergency. That no attempt was made to rob the investor by excessive management remuneration is convincingly proven by the Canadian Trusts' management expenses averaging only a trifle above the established and rightly popular British trusts.

The investment trust has come to stay in Canada. As it expands, it is bound to wield a profound influence in the security market, and this on trade and industry. It will continue to be a force in stabilizing the market by selling when securities are above their intrinsic values and absorbing securities in periods of depression when the market craves for support. Thus the investment trust will continue to grow as one of the investment foundations of the nation.

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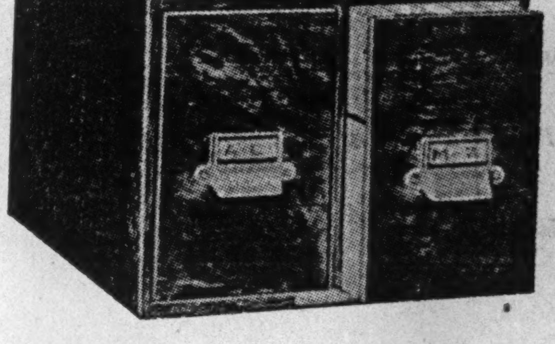

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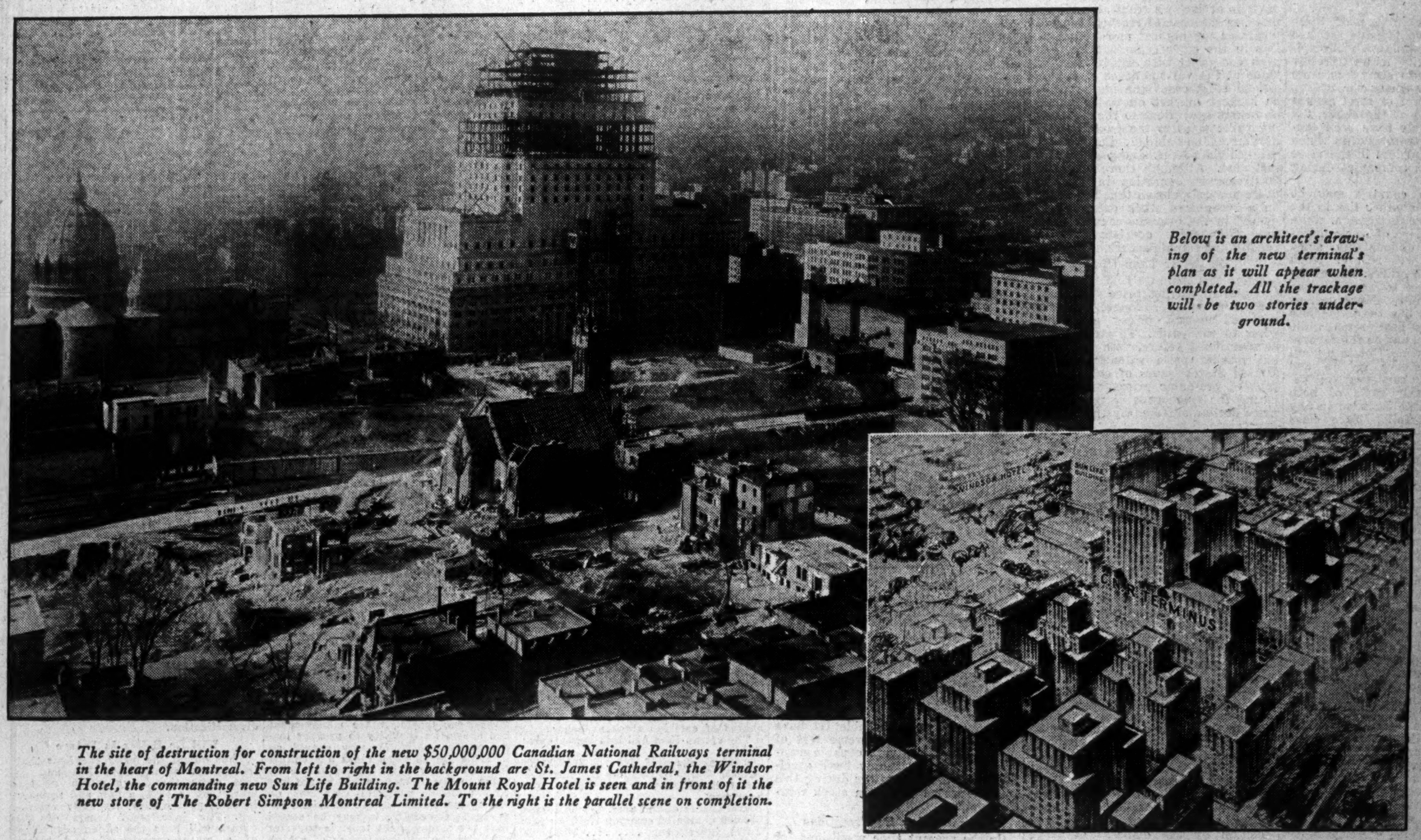


Below is an architect's drawing of the new terminal's plan as it will appear when completed. All the trackage will be two stories underground.

The site of destruction for construction of the new $50,000,000 Canadian National Railways terminal in the heart of Montreal. From left to right in the background are St. James Cathedral, the Windsor Hotel, the commanding new Sun Life Building. The Mount Royal Hotel is seen and in front of it the new store of The Robert Simpson Montreal Limited. To the right is the parallel scene on completion.

Achieving New Horizons

GREAT builders look ahead. They see, and prepare for, tomorrow's needs today. Back of their vision is faith in the future. Their building is a barometer of confidence which points to fair horizons though storms may come and go. ¶ Montreal has never lacked men of vision. Throughout its nearly four centuries of the white man's presence, it has grown outward and upward—a city of changing and challenging horizons. ¶ The urge of expansion from Montreal's growth in industry, commerce and population, has forced a steady and inspiring building activity. ¶ The city's ever new sky-line is a perpetual reminder to men of vision and enterprise of what Montreal's future can hold for them in achieving new horizons. ¶ The builder—whether he be a builder of business, of buildings or industry—will find full range for his capacity in this city of progress and opportunity.

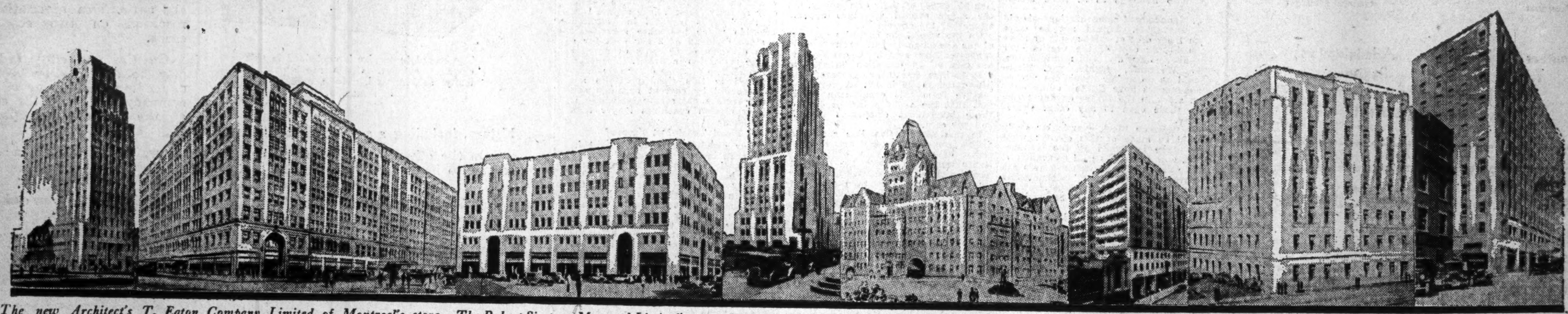
THE value of building represented by permits issued by Montreal the first ten months in 1930 was $23,275,661 with a total of 4,509 permits.

These figures do not include the adjacent municipalities comprising Greater Montreal. Building permits of some of these municipalities to the end of October, 1930, were valued as follows:—Verdun, $2,912,935; Montreal East, $1,123,510; Outremont, $1,353,000; Westmount, $1,595,753.

Contracts awarded in the Montreal area (as reported by the "MacLean Building Review") for the first ten months in 1930 number 5,341 valued at $72,105,500—this compares with contracts valued at $69,257,800 for the whole of 1929. The increase is due largely to the $10,000,000 contract for the first year's work on the $50,000,000 Canadian National Railways terminal.

Naturally Montreal is the headquarters of many of Canada's outstanding building and construction firms—notably Anglin-Norcross Limited, Canadian Vickers, E. G. M. Cape & Company, Cook & Leitch, Dakin Construction Co., Dominion Bridge Company, Foundation Company of Canada, George A. Fuller Company of Canada, Wm. McClellan & Co., McRitchie & Black, Power Corporation of Canada, Robertson & Janin, United Engineers & Constructors (Canada).

Inquiries concerning Montreal and its opportunities will receive prompt and authoritative replies if addressed to The Secretary of the Board of Trade, Montreal, Canada.



The new Architect's building (under construction).

T. Eaton Company Limited of Montreal's store with three additional stories complete.

The Robert Simpson Montreal Limited's completed new store.

The imposing new Aldred Building on Place d'Armes.

The Trafalgar Apartments, (under construction).

The Hermes Building with its large new addition.

The Bell Telephone Company's first unit of their new "Long Distance" building (under construction).

The Drummond-Medical Building recently opened.

Recent Additions to Montreal's Ever Changing Sky-Line

FEATURING NOVA SCOTIA

THIRD SECTION

THE FINANCIAL POST

THIRD SECTION

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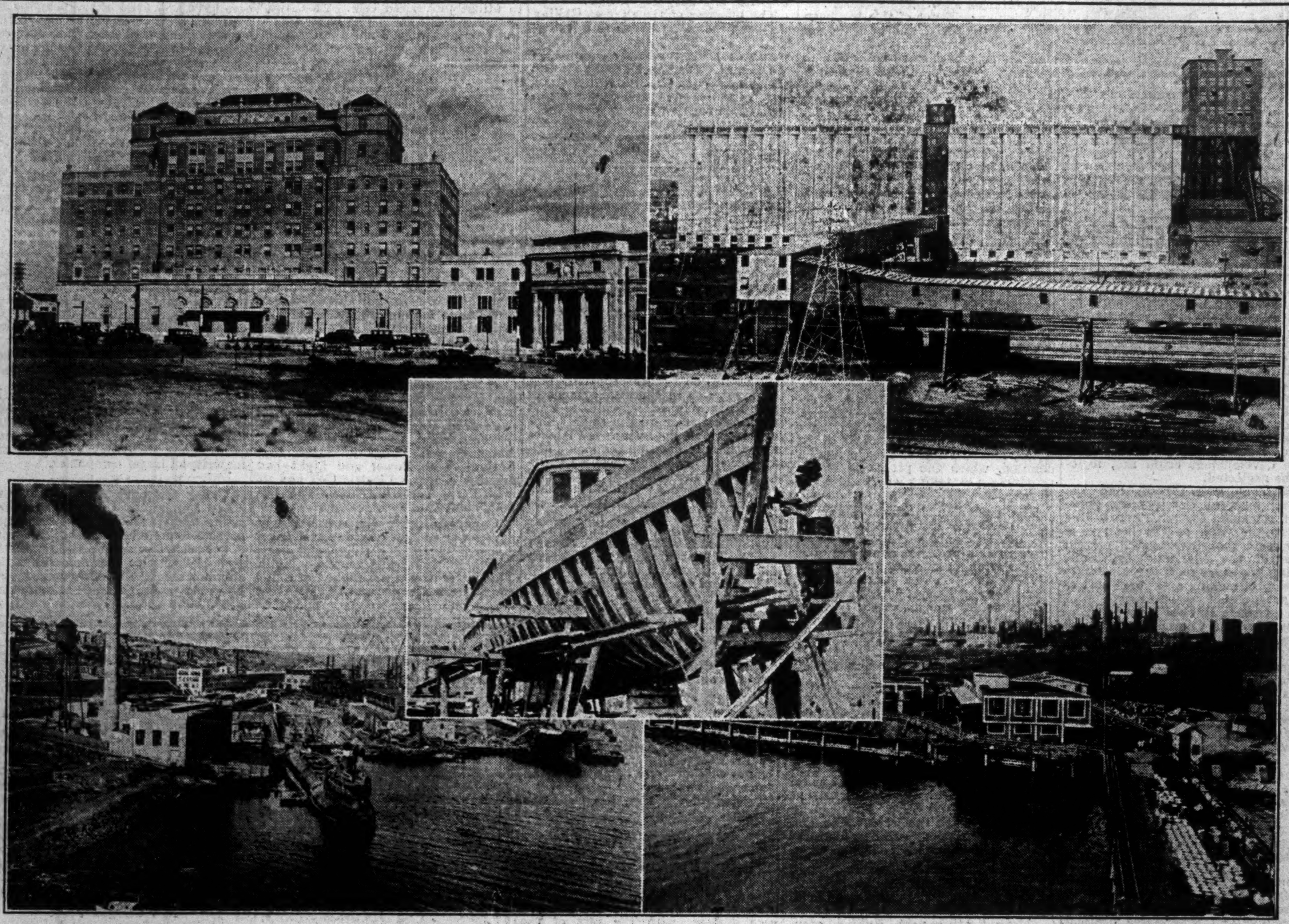
LACK OF INFLATION PROMISES WELL FOR NOVA SCOTIA'S FUTURE

New Developments Show Faith in Nova Scotia



On top left is the new Nova Scotia hotel at Halifax, part of the general scheme of development undertaken at the port by the Canadian National Railways. Top right shows the recently completed elevator which doubles storage capacity. In the foreground is the conveying system linking up the elevator with the different piers. Lower left picture shows the plant of Halifax Shipyards, subsidiary of the newly formed Dominion Steel and Coal Corp., while in the lower right hand corner is a view of the Imperial Oil's plant at Dartmouth, across the harbour from Halifax. This is one of the largest refineries in Canada. Centre picture shows a ship building scene. Nova Scotia is noted as a builder of fine wooden ships. This form of industry is still pursued extensively, building for the fishery fleet being an important factor.

CENTRAL BODY MAY MARKET APPLE CROP

Royal Commission Recommends Some Striking Changes

NEW FINANCING PLAN

Report Stresses Co-operation Need Amongst Growers and Improved Methods

Complete re-organization of the methods of financing and marketing apples produced in the Annapolis Valley and the creation of a new organization known as the Consolidated Fruit Co. of Nova Scotia, is recommended by the Royal Commission appointed to investigate the provincial fruit industry.

Some time ago a commission of six members was appointed to make investigations and any recommendations it saw fit. In a long and comprehensive report to the Government, the commission said that the fruit industry of the Annapolis Valley is fundamentally sound.

There are many features of the industry, however, which are not altogether favorable and the commission reports that there should be a complete re-organization of the methods of financing and marketing the apples produced in the Valley.

Create Central Body

To that end it recommended all the various agencies should be brought under one control. This could be done through the creation of the Consolidated Fruit Co. of Nova Scotia, which would have an unlimited membership open to all growers in the Valley.

The object of the company would be marketing and manufacturing and conducting all the business of the industry on a co-operative basis. It is further recommended that the financing of the company, for a stated period, should be done with the backing of Government guarantees.

Create Distinctive Mark

Instead of using numerous trademarks as at present, the commission considers that the company should have a distinctive trademark, registered for the sole use of the new organization.

The commission found the present system of inspection to be so wholly inadequate as to be almost useless and recommended that there be a complete compulsory inspection of all fruit from the Valley, either for domestic consumption or for export. Along these lines, the commission makes several definite recommendations regarding the administration of the Fruit Act.

Enforce Rigid Inspection

It is recommended that in order to secure a more uniform standard interpretation of the requirements of the Fruit Act, an annual course of instruction be provided for inspection. Further, there should be a more rigid enforcement of the penal section of the Act and that publicity be given to the names of the persons who have been guilty of violating the Act.

Again, the commission recommends that the provision of the Fruit Act, allowing 10 per cent of the contents of the package of No. 1 apples to be below grade, should be eliminated.

Improve Marketing Methods

Considerable thought was given by the commission to methods of improving marketing. It recommended that boxes of the standard type should be used for packing apples and storing them in the warehouses until final packing for shipment. The barrels used for packing and for export came in for attention and it recommended that steps should be taken to improve the appearance of the barrel so as to give it a smooth and attractive appearance.

Stress was laid on the desirability of eliminating undesirable varieties and that educational aid be given in this regard. In this way the growers could concentrate their attention on the varieties required by the present market. It was further recommended that the Department of Education be asked to find a place in the public school curricula to create interest in the possibilities of the fruit industry.

Stimulate Care for Orchards

The commission also touched upon orchard methods, recommending that all infested orchards be sprayed, if not by the owner or occupier, then by the Government, at the owner's expense. Further, in all infected orchards of no commercial value, the trees should be cut down either by the owner, or by the Government at the owner's expense.

It was the opinion of the commission that a proper system of trimming and pruning be put in force in order to produce better and more marketable fruits.

Cover Transportation Costs

Transportation costs were fully covered and the commission came to the conclusion that farmers in the Annapolis Valley were handicapped in the matter of freight rates and that there should be relief from this condition. It was further stated that every effort should be made to remove refrigerator charges which, in the opinion of the commission, are unwarranted.

Since the commissioners made public their report, a short time ago, there has been considerable discussion of its various features. Until the provincial parliament meets there is no indication of just how far the Government will go in carrying out the recommendation.

Consent of Majority

In the first place, however, the commission recommends that the Consolidated Fruit Co. of Nova Scotia be not brought into operation until growers representing approximately 50 per cent of the average crop of the Valley signified their willingness to become members.

If the plan of the commission is adopted, over $5,000,000 will be made available under Government assistance and guarantee for the relief of the apple industry of the Annapolis Valley and for the rehabilitation of the local credit system.

Government Takes Hand

The Federal Department of Agriculture has also taken a hand in furthering the interests of the apple growers of the Annapolis Valley. As a result of representations made by the Provincial Government, the Federal Department has decided to establish research laboratories in the Annapolis Valley for the purpose of utilizing apple by-products in an effort to develop market for surplus apples.

The experiments of the Dominion Government are broader in scope than those being conducted in Ontario and will continue for from three to five years at a yearly expenditure of from $25,000 to $30,000 and will cost approximately $100,000.

Establish Two Laboratories

Two laboratories will be established. The largest one, which will conduct research work into all by-products with the exception of vinegar, will be at the established manufacturing plant of Scotia Gold Products, Ltd., at Middleton. Vinegar research work will be conducted at another plant, at Bridgetown.

Several thousand barrels of apples annually are wasted. Virginia, New York and other important apple States, are similarly situated, but they have by-product plants to utilize the same kind of apples that go to waste in the Annapolis Valley. Outside a few newer, adequately equipped evaporators and two vinegar factories, the Valley has never had any outlet for the unmarketable fruit.

Outlet in By-products

Under a proposed scheme for research, Nova Scotia apples will be used exclusively in conducting experiments toward determining their adaptability for such by-products as sweet cider, canning of apples, concentrated juice, applesauce, syrups, etc.

At the next session of the provincial house, the problems of the Annapolis Valley apple industry will be thoroughly aired. There are many problems to be overcome, but they are such as can be solved by united effort.

Lunenburg Fleet Important Section

Success or failure of the Nova Scotia fisheries is largely based upon the results reported by the Lunenburg fishing fleet. The following table shows how the number of vessels, the catches and averages have varied from year to year in the Lunenburg fishing fleet.

Year	No. of Vessels	Ttl. catch Qtls.	Average per ves. Qtls.
1921	93	264,275	2842
1922	99	312,075	3151
1923	80	194,600	2432
1924	64	170,850	2670
1925	76	256,975	3381
1926	92	342,730	3725
1927	83	227,590	2742
1928	75	225,875	3011
1929	71	210,050	2958
1930	64	140,780	2199

Halifax Bitterly Disappointed With Commissioners' Dismissal Of Freight Rates Application

Extension of Quebec Grain Rate to Maritime Ports Disallowed by Dominion Railway Board

ADDITIONAL HEARINGS TO BE HELD SHORTLY

Maritime Interests Announce Intention of Taking Fight for Reduced Rates on Grain Moving from Lake Head to Halifax to Supreme Court if Necessary

Application of the Halifax Harbor Commissioners for an extension of the Quebec rate on grain via the Trans-Continental Railways from the head of the lakes to Maritime ports, was dismissed by the Board of Railway Commissioners at the end of last month.

All interests in Nova Scotia and New Brunswick were combined in fighting for what they wanted. To say that the Commission's judgment was a disappointment, is to put it mildly.

Matter Has Not Ended

The matter has not ended. Disappointed as they are, the Maritime interests are apparently determined to secure the lower rate. If necessary, they will take the case to the Supreme Court. On the other hand, the Board of Railway Commissioners announced that it will hold further hearings in respect to the Maritime freight rates case, and, it is possible that as a result of additional argument, the decision of last month may be reversed.

Sought Rate Reduction

In its application to the Commission, the Halifax Harbor Commission asked for an order directing that the present grain rates from Port Arthur, Fort William and Armstrong to Halifax, of 21.30 cents per bushel on wheat and 20.40 cents per bushel on other grains, be disallowed. In their place it was asked that a tariff be substituted of 11.6 cents per bushel on all grain; and that the present differential of 6/10 of a cent for Montreal and Quebec on grain and flour to Halifax be continued.

The present rate to Halifax is based on the all-rail rate to Montreal plus the 6/10 of a cent differential. This works out at 21.30 cents a bushel on wheat and 20.40 cents on other grains. However, a special rate of 11 cents per bushel, all rail, was granted to Quebec in a finding made some time ago. What Halifax asked was that this special rate, plus the 0.6 cents, be the all-rail route to Halifax.

On the basis of hundredweights rather than bushels, on which most of the argument was submitted, the present rate to Halifax is 35½ cents, or one cent per hundredweight above the all rail rate to Montreal. What was asked was 19.34 cents per hundredweight, or one cent more than the Armstrong to Quebec rate.

Examined Rate Schedules

The chief commissioner found that from examination of various rate schedules, that the export rate on wheat—35½ cents per hundred pounds — all-rail from Fort William and Port Arthur to Halifax and Saint John, was in line with the all-rail haul from these lake ports to New York, and corresponded with the all-rail haul from Duluth, Minn., to Portland, Boston and New York.

The rate of 15.15 cents from southern ports of the Georgian Bay to Halifax and Saint John was in line with the all-rail rate from those bay ports to Boston and Portland, and with the all-rail rate from Buffalo to Boston and New York. Further, the chief commissioner pointed out that this 15.17 cents was distinctly lower than the all-rail haul from Port Arthur and Fort William to Halifax and Saint John, as well as to New York and other United States ports, in the relation of 35½ to 15.17 cents.

Claim Substantial Reduction

Grain from Fort William and Port Arthur for export via Buffalo carried a rate made up of water transport to Buffalo from Fort William and Port Arthur of 3.60 cents per hundredweight, plus 15.17 cents rail rate from Buffalo to the seaboard, in all 18.77 cents per hundredweight.

In view of this last rate, the Halifax Harbor Commission claimed that there should be a substantial reduction in rates for carriage of grain exports all-rail from the lake-head cities to Saint John and Halifax, for which 35.5 cents per hundred pounds was charged.

Review Past Situation

In order to obtain the necessary background so that an opinion may be formed upon the justice of the Maritime freight rate claims, it is necessary to look at the railway situation as it existed some years ago.

Halifax's claim for lower freight rates on grain centres around the National Trans-Continental Railway. Construction of an elaborate canal system on the St. Lawrence virtually defeated the movement of Canadian traffic through Maritime ports, via the Intercolonial Railway. The concentration of Canadian traffic through St. Lawrence River ports became very apparent when the canals came into use, and also that the major portion of the remainder of eastern traffic then and now finds it way through United States channels.

Built Transcontinental Railway

With a view to correcting this situation and providing for a more equitable distribution of traffic through Canadian ports, the National Transcontinental Railway was launched some 25 years ago.

The Transcontinental Railway from Winnipeg to the Maritimes cost approximately $200,000,000 and at Moncton tied in with the Intercolonial Railway, costing another $150,000,000. At Winnipeg, the Transcontinental connected with the Grand Trunk Pacific, thereby providing a continuous rail haul from the prairies to Quebec and Maritime ports, at a total public cost of upward of a half billion dollars.

To Compete With Water

It was definitely understood at the time that the Transcontinental was built, and it is understood today, that this route was to compete with the all-water movement. It primarily was to prove an effective competitor to the all-water route to Montreal and the United States Atlantic ports. It was set forth in the statute of 1903 that freight on the Transcontinental Railway for export traffic from points of origin to the point of destination should "at no time be greater via Canadian ports than via United States points." It was further stipulated in the statutes that this special grain rate should apply upon the completion of the Transcontinental Railway by the Government and its lease to the Grand Trunk Railway. The Grand Trunk, however, did not take up the lease, but the Transcontinental was eventually consolidated in the Canadian National Railways. It is contended by the Maritimes that the consolidation did not affect the original terms under which the railway was constructed and that as the Port of Quebec was accorded the 18.34 cents rate in 1927, the Atlantic ports were entitled to a rate of 19.34 cents instead of the present higher rate.

Quebec Secured Rate

The freight rates to Quebec city are substantially based upon the same arguments used by the Maritime ports. Back in 1927, the Port of Quebec secured a rate from the Board of Railway Commissioners of 18.34 cents per 100 pounds of grain moving from the West. The railways obtained from the Board, extensions of time covering a period of nearly two years within which to make an appeal. The railway did not make the appeal until late in 1929, but on October 7, of the same year, the appeal was dismissed by the Supreme Court.

This decision left the way open for the Board of Railway Commissioners to deliver a ruling on the matter of grain rates affecting both Quebec and the Maritime Provinces, since their right to do so had been sustained.

Arguments Are Advanced

The arguments used by the railways against the movement of grain to Halifax is that costs are too high. Commissioners of the Halifax port claim that it is possible to move a fair quantity of grain through the Port of Halifax, when many millions of bushels of Canadian grain are moved through the port of Baltimore each year. Portland, Boston, New York, Philadelphia, and Norfolk are some of the other American ports which handle large quantities of Canadian grain.

Putting it another way, it is a general fact that something over 80 per cent of the ballast cargo of grain used by the United States Atlantic ports originates in Canada.

At present the St. Lawrence ports receive the bulk of grain shipped from Western Canada. This is natural during the summer and fall season of navigation, but in the winter time, a proportionately large share of Canadian grain moves to foreign markets through American ports. Halifax contends that it should be put on a parity with those ports and that the volume of grain now going to the United States should move through Canadian ports in the winter time.

Income Tax Paid Reaches High Figure

Many indices are used in arriving at an estimate of business conditions in an area. One that attracts interest is that of income tax receipts. It is worth while noting, therefore, that the Halifax district is one of the few territories in the Dominion which has shown larger income tax payments this year than was the case a year ago. During the four months ended July, 1930, payments in the Halifax district amounted to $556,264. This compares with $516,959 in the corresponding months of 1929. Additional payments since that time have further increased the total.

Business Conditions Of Province Better Than Other Areas

Recession Elsewhere Comes Late to Province Where Previous Lack of Inflation Helped to Prevent Extremes

STILL SOME PROBLEMS EXIST TO BE SOLVED

Readjustments in Process But Business Men Confident of Solution—Construction Programme Has Been an Important Feature in Maintaining High Level of Prosperity

By JOHN E. LANGDON,
Eastern Editor, The Financial Post

Business conditions in Nova Scotia may best be described as an admixture of good and bad. Taken as a whole, they are undoubtedly better than in any other district of the Dominion. Until the fall months, the situation was brighter than elsewhere, but of late there has been a tapering off and Nova Scotia is feeling the depression noted in other provinces since early in the year.

It is a noticeable feature of the older settled communities, and particularly Nova Scotia, that they are less subject to the violent ups and downs recorded in newer areas. Thus while Nova Scotia has not experienced the boom conditions which prevailed in Ontario, Quebec and the Western provinces in 1928 and 1929, returns have provided the province with an excellent, but not inflated, income.

Lags in Cycle

Nova Scotia did not get into its stride as soon as the rest of Canada. It is a common fact that changes for the better or worse are not reflected in that province until some six months later. So while it came into a period of prosperity late, Nova Scotia did not start to slip until after the other provinces had definitely slowed down.

Stability of business conditions has made for sounder building. Nova Scotia has fortunately escaped the excessive inflation seen in other areas. This does not mean that it has not gone ahead. Examination of industrial activity over the last two years, shows that such has not been the case.

Plenty of Activity

The Halifax Harbor Commission, for example, has undertaken a $4,000,000 programme, still in course of completion. The outlay on the Mersey Paper plant ran to nearly $12,000,000. Another $5,000,000 or so was spent on water power developments. Dominion Steel and Coal Corp. spent large sums in renovating its Sydney plant. The same company also built an electric steam-generating plant at Glace Bay, involving a considerable outlay. Three new hotels, representing an expenditure of several millions, were erected. New roads were built; industrial plants expanded.

It will thus be seen that Nova Scotia has not been behind other provinces in developing its resources, enlarging productive facilities and generally moving forward. This development work, it should be noted, was carried out to meet actual needs and not as a result of over-optimism so prevalent in other parts of the country.

Pace Slowing Down

Today Nova Scotia is facing a period of easier business conditions. Judging by past records, it is not expected that the recession will be as pronounced as elsewhere. There are a number of problems to be confronted and solved. Conditions in the coal industry are slack; iron and steel producers are in need of work; fishing is in need of immediate relief; reorganization of the fruit industry is on the books; while lumbering is far from being in a prosperous state.

Yet with all these problems, the business men and industrialists of the province are confident. They realize that some of their troubles are an outgrowth of world conditions. Fundamentally their industries are sound. New methods of marketing may be needed; certain industries may require assistance, but these are problems which are faced with confidence.

Face Future Confidently

Through its long history, Nova Scotia has gone through many readjustments. Changing times and changing conditions have made necessary new methods. At present, however, the province is in shape to tackle such problems as confront it with the feeling that a solution can be found. The finances of the provincial Government have been steadily improving, unemployment is less than in other provinces, many new projects are underway, and capital is available for sound enterprises.

There is justification, therefore, in the statement that conditions in Nova Scotia are better than elsewhere in Canada, despite the unsatisfactory situation seen in some industries. Incidentally those industries which are backward at present, are the ones which largely sell their products outside the province. Coal, steel, iron, lumber, and fish are the principal commodities affected. The market lies in Quebec and Ontario, the United States or England, areas which are feeling the depression to no small extent.

Nova Scotia is in the position, however, where the effects of recession are minimized. Lack of inflation in prosperous years shows its value in times like these. While a lessening of industrial activity is to be expected, the wide diversification of industry assures a maintenance of the business level at a point well above the average for the Dominion as a whole.

Province by the Sea Attracts Many Visitors; Tourist Industry Grows

Aggressive efforts to give more publicity to the attractions which Nova Scotia offers to tourists have been rewarded by a substantial gain in recent years in the number of visitors visiting the province.

Nova Scotia has much to offer in scenic beauty and sports, while the history of its early days has left the province a legacy of historical sites which are second to none in the Dominion.

Among the features of the province that make it popular as a summer resort are its motor roads. These have been widely extended in the past few years and improved highways of over 6,500 miles lead everywhere throughout the province.

Spend Millions on Roads

During recent years approximately $20,000,000 has been expended on these roadways, exclusive of expenditures on bridges and culverts. Main roads have excellent riding qualities and are safe in all kinds of weathers.

Hotel accommodation has been vastly improved. During the past few years new hotels have been established at Halifax, Digby, Sydney, Pictou, Liverpool and Kentville, while a general improvement in other accommodation has been noted.

This is an all-important factor from the viewpoint of the tourist and it can now be said that proper and adequate accommodation for summer visitors is available in Nova Scotia.

Tourists Stay Longer

The geographical position of the province does not lend itself to a week-end visit. This makes for more stability in the tourist industry and also brings into clear perspective the improvements in hotel accommodation. Generally speaking the average length of stay in Nova Scotia by American summer visitors is longer than in most of the other holiday districts. In recent years a larger number of Ontario people than ever before have spent their summer holidays in Nova Scotia.

Tourists Show Increase

While figures for 1930 are not yet available, the number of tourists entering Nova Scotia last year showed a marked increase. It was estimated in the period from June 1 to September 30, 1929, that 191,724 summer visitors entered Nova Scotia, an increase of 25,818 as compared with the preceding year. The total number of tourists' motor cars entering during that period was 25,729, an increase over the previous year of 2,064.

The regular tourist season is generally taken as extending from June 1 to September 30. Nevertheless, October is one of the best months of the year in which to visit the province. The Information Bureau of the Department of Highways at the New Brunswick border was kept open in 1929 during the month of October, and it was found that during that period 3,063 tourist cars entered via this route alone.

Longfellow Best Press Agent

It has been said that Longfellow, the American poet, is still the best press agent for Nova Scotia. His poem "Evangeline" has for many years turned the attention of its readers toward modern Acadia. The verse has found a place in school libraries and one generation after another has become familiar with the story. Many thousands of persons visit the site of old Grand Pre every year and are able thereafter to read Longfellow's poem with renewed interest.

Nova Scotia's historical importance should not be minimized, for it is the oldest European settlement in North America, north of Florida. The historical occurrences which stirred the district in early days have left their marks upon the province, and visitors find much of interest in the old forts, churches, ports and thrilling legends.

Sport Attracts Many

Sport plays no small part in the province's tourist industry. Excellent golf courses, fine salmon and trout fishing as well as moose and deer hunting have done much to increase the number of visitors to the province.

Magnificent ocean scenery, smooth motor roads and a temperate climate are additional factors which are drawing increasingly large numbers of tourists to this province by the sea each year.

TOURIST BUREAU DOES GOOD WORK BUILDING TRAFFIC

Large Quantity of Publicity Material Distributed Last Season

Following the example of Boards of Trade or Chambers of Commerce and Tourist Associations in other cities, the Halifax Board of Trade established this year the Halifax Tourist Bureau.

The object of this bureau is to give particular attention to the requirements of visitors in not only becoming comfortably located, but also enumerating the attractions of the city and vicinity in general.

Each year there has been an increase in the amount of work, and the staff of the bureau (old Board of Trade Tourist Bureau) has had to be increased accordingly. Hundreds of letters are received and answered and many thousands of pieces of literature distributed.

Has Justified Existence

The Halifax Tourist Bureau, assisted in its financing by the city council, has more than justified its existence the present season. The quarters are larger than those previously occupied, and give better scope for work. There is also a larger variety of literature to be obtained and the folders and booklets published this year are of a more attractive appearance than formerly.

DIFFERENCE STILL EXISTS ON TRAWLERS

One Year of Regulations Has Little Effect on Prices

PROVIDE OPPOSITION

Operators Fight Ottawa Ruling, But Fishermen Support Order

Federal restrictions governing the use of trawlers off the coast of Nova Scotia, after being enforced for just over one year, are still the cause of considerable dissension.

Briefly the Federal Government ruled that trawler licenses will only be issued to trawlers built in Canada and of those operating at the time the order-in-council was put into effect; trawlers which were not built in Canada will be allowed to operate under temporary license until April 1, 1932; beginning in April last a tax of one cent per pound in the case of non-Canadian built trawlers and two-thirds of a cent a pound in the case of trawlers of Canadian construction have been levied on all trawler-caught cod, haddock and halibut landed at Canadian Atlantic ports, except during January, February, and March of each year.

Industry is Depressed

The fishing industry of Nova Scotia has not been in good shape for some time. Over three years ago a Royal Commission was appointed to investigate conditions.

Numerous meetings were held at the different fishing centres of the province and evidence taken as to the best means of re-establishing the industry. Representatives of the shore fishermen strongly objected to the operation of steam trawlers on the ground that most of them are foreign-owned and manned; that the products secured by their use are inferior; that in consequence of their use the market is flooded at certain seasons of the year; that the catch yield of off-shore fishermen is affected by trawlers and that feeding grounds, spawn and so forth are destroyed—in short, the off-shore fishermen claimed that the trawlers ruined the industry.

Operators Defend Trawlers

In defence, the trawler operators pointed out that only 1,700 tons of Canadian trawlers operate off the coast as against 15,000 tons of American and 20,000 tons of French bottoms. The operators further claimed that the up-building of the industry had been due largely to their efforts, as a consequence of being able to handle large catches and provide for regularity of supplies. It was also claimed that most of the trawler catch was marketed in the United States, and, further, that the trawler operators purchased a large percentage of the catch of the off-shore fishermen in order to meet the demand.

Despite the arguments advanced by the trawler operators, a majority of the Commission recommended that their operations be restricted. Consequently the Minister of Marine and Fisheries had passed an order-in-council putting in force the regulation mentioned above.

Fight Tax Claim

Since that the National Fish Co., the largest operator of steam trawlers out of Halifax, have come into conflict with the government. At present the government has under way an action against the company in respect of $61,000 arrears in respect of the license fees due on their five British-built steam trawlers. It is claimed that these vessel are foreign-built, but A. H. Brittain, president, expressly states that the vessels are British-built.

Set Forth Position

In defence of the company's position in respect to the arrears license fees and his objections to the trawler regulations, as now in force, A. H. Brittain has the following to say:

"We are operating trawlers not because we want them, but from the fact that we had to use them in order to stabilize our supply of fish. To build up our markets and hold them we were forced to employ steam trawlers to augment the catches of the shore fishermen. The steam trawler is what we have to depend on for fish during the frequent periods of bad weather and fish scarcities which interfere with the production of the shore fishermen. As it is, we have been the largest buyers of the shore fishermen catch for the past five years on the Atlantic coast. Without trawlers we could never have built up a market to warrant such a large purchase of the shore fishermen's production.

Building a Market

"We have no idea of building up a trawler fleet. We are more interested in creating a good market for the shore fishermen, but experience has shown that we cannot possibly do that unless we are allowed to employ enough trawlers to maintain steady supplies of fish.

"Fish producers in Great Britain, United States and elsewhere have faced this same problem. The demands of the modern merchandising are exacting and no firm can expand or even stay in business nowadays unless they can plan ahead. Our orders are taken long in advance of shipments and we must be prepared to fill orders when required. This cannot be done with any certainty if we have to depend entirely upon supplies of fish brought to us by fishermen operating in small boats and along a scattered coast line of 200 miles or more.

Plans Laid Ahead

"The staffs comprising salesmen, smokers, packers and shippers, in their various employments; the capacity and outputs of freezers, the smoke houses, and cold storages, have all to be financed and determined for months ahead, necessitating careful planning and a large investment of capital. In a business such as ours, where supplies fluctuate so much, miscalculations are frequent and losses are heavy—especially when we have to counteract the uncertain and unknown element of the weather. It was to offset this factor that the trawler was employed and were the fishermen who are antagonistic to the use of trawlers enabled to understand the many factors which enter into the carrying on a large scale business, they would alter their views.

Cater to Demand

"Our position is not altogether enviable. We must cater to the demands of the consumer and retail distributors in variety, quality and price. The fish business is not yet in the position of a stable food industry. We have to work hard for business and to hold business. Competition is keen, not only from others in the same line as ourselves who are producing fish on the lakes and on the Pacific coast but from the other food producers handling meats, poultry and eggs. The consumer does not yet regard fish as a daily necessity. To many it is but an after thought or second choice. The business, as it exists today, was created through the good work of the retail fish dealers in pushing fish, and by firms in the producing business who have backed up the retailer by giving him quality and variety at good prices that are attractive enough for him to make a reasonable profit.

"The market thus carefully built up can be easily lost. Throw the machinery of steady production out of line and you upset the work of years. And the ones who will suffer most will be the shore fishermen."

Fishermen Have Claim

This is the view of the trawler operators. Naturally the off-shore fishermen do not look at the situation in the same light. They have their opinions, definite ones at that, that the off-shore fishermen can meet the needs of the market.

Champions of the off-shore fishermen find out that the fishing industry is the backbone of the Province. Many thousands of people are dependent upon it for their livelihood. Consequently it is of the utmost importance to see that the fishermen secure a good price for their products in order that they and their families may secure a fair living. It is claimed that through the operation of the trawlers, it is not possible to do this. With fish selling at 2 or 3 cents a pound, and even less, it is out of the question for the fisherman to secure adequate returns for his labor and capital invested.

Can Maintain Supply

The principal argument of the trawler operator, that adequate and regular supplies cannot be maintained throughout the year by the off-shore fishermen, is refuted by the latter. The record of off-shore fishermen out of Gloucester, is cited as proof that regular supplies can be maintained during the winter months. Why cannot a similar statement be made of off-shore fishing from a Canadian Port? The answer lies mainly in the prices obtained for their fish by the off-shore fishermen. These fluctuate in the United States ports over a wider range than Canadian landing prices, but average much higher. With the low prices, the Canadian fisherman cannot afford the danger of losing some of his gear operating under winter conditions. The American vessel, on the other hand, can afford to take greater risks in this way than can the Canadian one because she can make money on a trip where she has lost quite a bit of gear, owing to the higher average price prevailing.

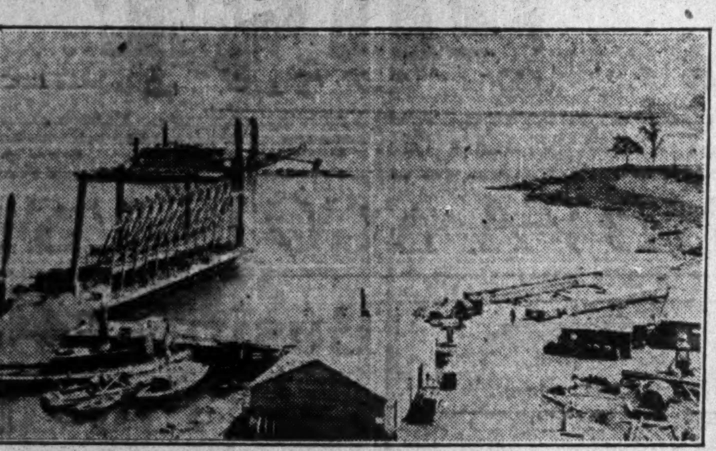
With a better price prevailing for Canadian fish, the off-shore fishermen can maintain a regular supply without difficulty. Proponents of the order-in-council point out that aside from one operator (presumably National Fish Co.) that the Lunenburg Sea Products and Seven Seas Fisheries not only accept the trawler regulations without protest, but actually support them.

Object to Ownership

Bearing upon the defence put up by the off-shore fishermen in favour of the trawler regulations, it is pointed out that the two largest trawler operators are foreign owned and that regulations should not be devised giving an advantage to these organizations over that accruing through the local industry and domestic capital.

It is possible that opposition to the trawler regulations will peter out, but it is still the bone of contention in the Nova Scotia fishing industry. Landing prices for fish are still too low for an adequate return to provide a proper livelihood for the off-shore fishermen.

Work Proceeding on Big Halifax Port Scheme



Photograph shows work now in progress on the construction of a new pier for the Halifax Harbor Commissioners. Beyond the dredge can be seen a breakwater, marking the boundary line of the Commission's jurisdiction.

Halifax Harbor Plans Call for Expenditure Total $15,000,000

Present Programme Involves Outlay of Nearly $4,000,000

NOTE MANY CHANGES

Commission Continues Fight to Secure Freight Rate on Grain Traffic

More than $4,000,000 is being spent this year in improvements by the Halifax Harbor Commissioners, and an expenditure of $15,000,000 or more within the next five years is contemplated, in order to meet the demands which seem destined to ensue from the Canadian policy of influencing the flow of export and import traffic through Canadian ports.

Halifax Port development scheme, as it is being worked out today, was launched by the Borden Government in 1912. When the World War broke out in 1914, the work had progressed so far that Halifax was able to serve the war necessities of Canada and the Empire to a greater extent than all other Canadian ports combined. War and post-war conditions prevented continuance of development work, which was not resumed until 1928.

Has Definite Advantages

Halifax is the only port on the Atlantic seaboard of Canada that is always open to all shipping. At any stage of tide, and under any weather or climatic conditions any ship in the world, of whatever size or depth, can freely and safely enter or leave the port of Halifax.

The location of such a harbor, ten miles from the open sea and only 60 miles off the beaten track of trans-Atlantic traffic between Europe and North America, places Halifax in an exceptionally advantageous position in so far as accessibility to world shipping is concerned. When it is realized that the port is the nearest of all North American ports to Europe, Africa, Asiatic ports as far east as Hong Kong and all Atlantic ports to South America, it is easy to understand the vital importance of Halifax as a factor in Canada's foreign trade.

War Demonstrated Value

War conditions readily demonstrated that the port of Halifax was not working under any handicap of geography. The wartime demonstration of the port's unique value compelled the conviction that the port of Halifax was a national asset whose development could not, logically, be neglected.

This conviction spread, and the demand for port development grew, but it remained for Sir Andrew Rae Duncan, in 1926, as the head of a commission that investigated certain claims of the Maritime Provinces, to bring into sharp relief the immediate necessity of making a national port of Halifax.

Create Harbor Board

The Duncan Commission's report recommended, among other things, that a statutory Harbor Commission be created to develop the port of Halifax. Acting upon the Commission's recommendation, the government in 1928 created the Halifax Harbor Commission and that body is carrying out the programme of port development which was formulated in 1912.

The extent of the development that will eventually take place at the port of Halifax cannot, now, be accurately predicted. Two main factors will determine the magnitude of expansion —the demands of shipping engaged in Canada's foreign trade, and the willingness of the Federal Government to support the plan formulated by the Halifax Harbor Commissioners to create and maintain facilities to meet the actual and progressive demands of the shipping world.

Have Increased Facilities

Increase in facilities has already reached the stage that makes Halifax, virtually, a new port. Present facilities consist of 16 deep-water berths with water at berth from 28 to 50 feet deep, and 14 transit sheds, all with ample railway trackage, and a grain elevator, all under the administration of the commission; 40 privately owned wharves; 20 privately owned sheds with a storage area of 125,000 square feet; cold storage plants of 2,000,000 cubic feet capacity with the most modern equipment for warm, freezing, or frost-proof storage of all kinds of perishable commodities and complete ocean and rail-shipping facilities; oil bunkering up to 5,000 barrels an hour; coal bunkering of 600 tons an hour at pier, and 285 tons an hour in the stream; large dry docks, marine railways and machine shops for repairs, and overhauling of ocean vessels; floating cranes with lifting capacity up to 100 tons; and excellent hotel and railway accommodation for passengers.

Constructing New Pier

More berths and transit sheds will be added to the port's facilities by construction of Pier "B" which is now under way. At the berth, water will be from 40 to 45 feet deep. Each transit shed will be approximately 600 feet long, 95 feet wide, and will be built of concrete and steel.

The Halifax Harbor Commissioners properties are in three sections, Richmond, Deepwater, and Ocean Terminals. These sections, in the order named, represent the order of progress made toward port development before appointment of the commissioners, by the Canadian National Railways, and their predecessors, the Canadian Government Railways and the old Intercolonial Railway.

Modern Warehouses

Sheds No. 20, 21, 22 and 27, at Ocean Terminals and at Pier No. 2, Deepwater, are of concrete and steel throughout, as will be the four sheds on Pier "B." All other sheds are of frame timber, and all but three have concrete floors. Sheds No. 21 and No. 22, and at Pier No. 2, are two stories, the others being one story. Upper story of Pier No. 2 shed is fitted up for frostproof storage, with floor area of 138,000 square feet. Escalators are used between floors, for transferring goods.

Existing sheds of the Commission contain 820,000 square feet of storage area, and completion of sheds on Pier "B" will give total storage area of more than 1,000,000 square feet.

Wide doorways connect the three sheds on the 2,007 foot quay, making them, for freight handling purposes, practically one building with a continual concrete floor 1,911 feet long and 95 feet wide. Shed No. 23, at right angles, floored in concrete, is directly connected with Shed No. 22, extending the storage area under one roof to a total of approximately 210,000 square feet.

The Commission's properties are served by 16 miles of railway sidings with storage capacity of 7,000 cars and facilities for switching more than 300 cars a day.

Grain Shipping Port

With the shipment of more than 6,000,000 bushels of export grain through Halifax in 1929, the port assumed a position of definite importance in the grain-carrying trade of the world and contemplated developments hold the promise of further expansion of this phase of port activities.

Completion at the end of 1929 of a 1,100,000 bushel to the ocean terminals elevator, gives a total storage capacity of 2,200,000 bushels. An automatic car dumper unloads six cars of 2,000 to 2,500 bushels each an hour, and two track pits, with power shovels, unload five cars an hour. Grain is automatically weighed as received and discharged.

Good Loading Facilities

Grain loading facilities at the port of Halifax have met the test of experience and steamers with capacities up to 500,000 bushels have been loaded within the past year at the rate of 25,000 bushels an hour. Special loading facilities consist of six conveyor belts, running in galleries, to five berths, each belt carrying grain at the rate of 12,000 bushels an hour. Maximum loading combinations permit delivery of a total of 70 to 90 bushels an hour, to three or four vessels, with 24,000 to 30,000 bushels an hour to three vessels.

Set Forth Advantages

Listed hereunder are some of the advantages claimed for the post of Halifax:

Minimum sailing distance from North America to all European ports and others mentioned.

Nearness to ocean path between European and United States ports.

Accessibility of harbor to all shipping, at all times.

Safety and roominess of harbor.

Absence of navigating difficulties.

No costly or inconvenient tidal variations.

Berthing accommodations for all classes of vessels.

Facilities for handling all kinds of cargoes, including grain.

Ample safe covered storage areas, and railway services.

Expeditious handling of cargo and quick despatch of ships.

Ample coal and oil bunkering facilities.

Facilities for drydocking, repairing and overhauling ocean vessels.

Modern coal storage service.

Unequalled accommodations for passenger traffic.

Provision for care of visiting sailors.

Low port charges.

"Sell" Port Facilities

The Halifax Harbor Commissioners recognized the fact that they are selling port facilities and shipping service and that the business of the port can be best promoted by serving customers in such a manner that they will be satisfied and will leave with the port with the desire to return with more business. With this spirit of service in view throughout the organization, there can only be one result—an increased volume of traffic in and out of the port of Halifax.

Canadian National System Keeps Abreast of Progress

Company Has Done Much Toward Fostering Developments of Recent Years—Activities Are Extensive and Varied

It has been truly said that the railways are the arteries through which pulse the lifeblood of a nation's commerce. To those who have studied Canadian development this needs on amplification. Progress in the different sections of the Dominion has followed the building of facilities of transportation and communication.

Particular evidence of this has been given in Western Canada during the past years, where events of development are so recent as to be known to everyone. However, in the older provinces of Eastern Canada the same situation applies. Industries have been developed, farm lands have been made productive and cities and towns have been built up by the provision of adequate transportation facilities.

With these the producer or manufacturer is able to send his goods to the market, and with the means of communication which the railways have provided, he is able to go himself or to send emissaries to develop new and wider markets for those things which he produces.

Create Fine Reputation

Nova Scotia has ever played a prominent part in Canada's history. Apart from the fact that this province has produced many of the men, leaders whose names are outstanding in Canada's history, it has also played an important role in the industrial development of the Dominion. The fame of some of its products is widespread—the output of its orchards, farms, factories and fisheries have found their way to the markets of the world, and this has created a further demand, which the producers of the provinces are taking energetic steps to meet.

The Canadian National Railways have kept very closely in touch with the developments which have taken place in this province and have done much during recent years to assist that development. The beauties and attractions of Nova Scotia have been placed before the intending traveller in Canada and other countries by means of newspaper advertising and articles, by booklets and by the distribution of photographs and motion picture films. Through these media an attempt has been made by the Canadian National System to encourage intending tourists to visit the places of beauty within this province in order that Nova Scotia may benefit from the increasing numbers of tourists from other countries who each year spend their holidays in Canada. Through its own Pictou Lodge, at Pictou, the Canadian National is interested in the tourist development, but the attractions of other parts of the province as well as Pictou have been advertised as a means of assisting the tourist industry of the province as a whole.

Steamships Are Help

Nova Scotia's port, Halifax, occupies an important place among the seaports of Canada. This allyear port handles a great deal of incoming and outgoing traffic, particularly between Canada and the British West Indies, where there is every evidence of a growing reciprocal trade. The placing in service of five new passenger steamships, all of which use the Maritime ports of Halifax and Saint John, while two sail from the port of Montreal during the summer season, has done much to increase the trade between Halifax and this other part of the British Empire. In addition to the splendid new passenger liners which have been placed in service, there are the line of fruit and vegetable carrying steamships, which fly the flag of Canadian National Steamships as they ply between the Canadian ports and those of the British possessions to the south, carrying Canadian produce and manufactured articles on their southward journey and bringing back the products of the British West Indies which are finding their way to Canadian consumers in ever greater quantities because of the facilities which these new boats provide.

Increase Winter Sailings

The Canadian National Traffic Department also concluded an important agreement with the White Star, Cunard-Anchor Donaldson and other steamship lines which has increased greatly the number of winter sailing of vessels of these various lines in and out of Halifax during the winter season, and through the completion of dockage and immigration facilities at Canadian National property, has increased greatly the efficiency of handling both passenger and freight for incoming and outgoing vessels.

The business of the port of Halifax has been increased by these developments, and has been even further greatly improved with the completion of the new Canadian National station and hotel. With the station and hotel now completed, passengers from steamships are now able to reach their hotel or their trains without leaving the one great building in which all of the facilities are located. The hotel will play an important part in catering to the ever increasing needs of Halifax as a centre of an important area, both for the holiday-seeker and the business traveller.

Construct Branch Lines

A further development which the Canadian National has recently undertaken in the province is the construction of the Guysboro to Sunnybrae branch of railway, for which contracts have been awarded and the line is now in the course of construction. This line will lead to the development of important mineral resources, will encourage the development of important hardwood timber properties and will assist also in the development of large areas of good agricultural land which lie adjacent to the route. The purpose of this line, which is 67 miles in length, is to open up the local territory for lumber industry and to provide better facilities for agricultural products as well as give direct communication to Guysboro for its fishing and allied products. On part of the route there is considerable agricultural development, and quite extensive hardwood forests which the railway will make it possible to develop.

Room for Development

It has been estimated that there are 250 million feet of hardwood and 200 million feet of softwood available to the line, and also some possibilities in gold and iron mining which have not been developed, possibly due to lack of transportation facilities. The justification for this line is that it will serve a section of the country that has been in long need of railway communication in order to give it a real chance for development and to put the town of Guysboro in direct rail communication with the Canadian National Railways.

In addition to this, the Canadian National Telegraphs have taken over the lines in the Maritime Provinces which were formerly operated by the Western Union giving the Canadian National Telegraphs a coast-to-coast telegraphic service and giving to Nova Scotia and the other Maritime Provinces direct connection, over the one wire system, with the rest of the Dominion.

With these developments which have taken place, it will be seen that the Canadian National is not only keeping abreast of the territory which it serves but also is providing in advance for the further developments which may be expected.

Increased Shipments of Clams

Increased shipments of clams through Yarmouth have been noted this season, a large proportion being provided by Digby. One week's shipment recently consisted of 700 barrels.

Export Apples to Belgium

Apples grown in the Annapolis Valley are this year being exported to Belgium in large quantities. It is expected that the total shipments for the season will run to about 50,000 barrels.

CANADA ELECTRIC EXPANDING PLANT WITH THIRD UNIT

New Installation Will Again Double Capacity

Canada Electric Co. is one of the pioneer distributors of electric power generated at the mine mouth. It has continued successfully this system of power distribution since the original plant was placed in service in 1906. Three years ago a new plant was built to utilize pulverized coal. This, too, has been a success. The latter plant was enlarged in 1929 and the contract has recently been awarded for the installation of a third unit of 10,000 h.p. capacity, which again doubles the company's generating capacity.

Prospects of the company for increased business are considered promising. The plant, situated at Maccan, N.S., occupies a strategic position between other systems recently developed in New Brunswick and Nova Scotia, and it appears as though this plant would ultimately become the balancing force between these other systems when they are ultimately hooked up together.

Operations Are Segregated

Last spring operations of Canada Electric Co. were finally segregated from those of Maritime Coal, Railway and Power Co. by the former company's acquisition by Central State Power and Light Corp., part of Utilities Power and Light System.

It will be recalled that Maritime Coal was acquired by Utilities Power and Light in December, 1929, and at that time it was understood that its subsidiary, Canada Electric, would be divorced from the parent company. Later it was officially stated that Central State Power and Light had acquired Canada Electric Co., and its subsidiary, Eastern Electric and Development Co.

Canada Electric Co. supplies light and power to Amherst, Joggins, River Hebert, Maccan, Chignecto, and Springhill, N.S., and Sackville, N.B. The latter town is supplied through the Eastern Electric and Development Co.

Control of Stanfields Secured by New Group

Shareholders of Strongly-Established Woollen Enterprise of Truro Accept Offer of Acadia Trust—Frank Stanfield to be Lieutenant-Governor

Important changes have taken place in relation to Stanfields Limited, operators of one of the largest Canadian woollen textile properties at Truro, N.S., as a result of an offer of purchase of the principal assets of the company, other than the cash assets, made by Acadia Trust Co. on behalf of unknown clients. Both directors and shareholders have approved of the proposal.

Stanfields is regarded as one of the soundest industrial enterprises in Nova Scotia, in fact, in the whole Dominion. While many of the Canadian textile companies have experienced adverse conditions in the past twelve months, Stanfields has been able to hold its own though competition has been very keen. As far as current sales are concerned, it is understood that the eastern business of the company has held up remarkably well, though there is a decline in western trade. On the whole, operating results for this year will not be far short of those recorded in 1929.

Do a National Business

Though operating in Truro, the company is one of those substantial Maritime organizations which has built up a national business. In addition to its production of woollen knit-goods, Stanfields produces rayon knit goods. Until entering the rayon manufacturing field, Stanfields confined activities to the production of high-grade woollen underwear.

Even in the most trying times of the industry, Stanfields maintained itself in a strong liquid position, and today the company's financial structure compares more than favorably with the majority of larger companies.

Basis of Exchange

Under the offer of Acadia Trust, a new company of the same name will be incorporated having a capitalization of 10,000 preferred shares, par value of $40 each, 6 per cent non-cumulative, and 12,000 shares of no par value common stock. The new company will also have power to issue not more than $500,000 in bonds.

Present capitalization of Stanfields Limited consists of 10,000 shares of no par value common stock.

Shareholders are accepting one share of the new preferred stock and one share of common for one share of old common stock.

The last financial statement issued by Stanfields showed cash assets of $1,870,005, comprising cash at $417,429, call loans of $1,346,050 and investments of $106,426.

Distribute Cash Assets

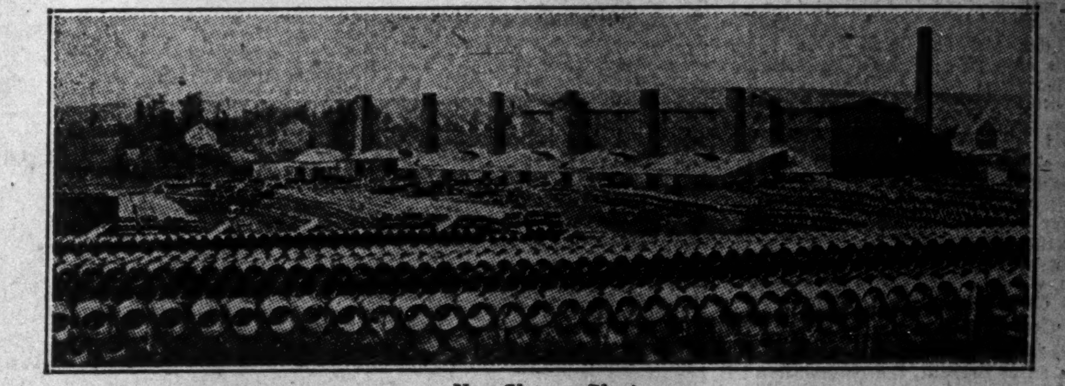
Under the terms offered by Acadia Trust, the cash assets will be reserved and distributed to present stockholders.

This would indicate, that, in addition to the shares of the new company, the present shareholders would receive at least $150 in cash for each share of stock held.

Stanfields Limited was organized about thirty years ago and at that time common stock was given at a nominal value as a premium for the bonds. The bonds were redeemed and a new company was organized, giving two shares for one. This was the second occasion on which a two-for-one split has taken place in the Stanfields stock, so that today, holders of the original shares of common stock now possess four times as much stock as they originally had.

This stock which was originally given as a premium, is now, according to the proposal outlined in the letter to shareholders, to be redeemed at $150 a share, which is really $600 a share for each share of the original Stanfields stock. In addition to this, shareholders will also receive share for share in common and preferred stock in the new company.

On the basis of the new capitalization, earnings of Stanfields Limited in 1929 were equal to $6.53 a share on the new preferred stock, against proposed dividend requirements of $2.40 a share, and earnings on the new common stock were equal to $11.08 a share.



New Glasgow Plant

Vitrified Clay Sewer Pipes

Large stocks of all sizes of Pipes, Connections and Fittings from 4" to 30" always on hand. Also:—

Chimney Linings, Round, Square and Rectangular.
Wall Coping, for Protecting Exposed Brick Walls.
Inverts, for Bottoms of Brick Sewers.
Conduit Pipes, for Protecting Water and Steam Pipes.
Culvert Pipes, for Roads, Railroads, Farm Crossings, etc.

Chimney Tops, for Increasing Draft and Protecting Flues.
Flower Vases, for Utility and Ornamentation.
Amco Segmental Sewer, 30" to 72". For "Built in Place" Sewers.
Fire Clay Goods, Stove and Range Bricks, Special Shapes, etc.

Standard Clay Products Limited
St. Johns, P.Q. New Glasgow, N.S.

Serving Nova Scotia

NOVA SCOTIA LIGHT & POWER COMPANY, LIMITED, supplies electricity, transportation and gas to the citizens of the capital city, Halifax. Through subsidiary companies it is playing a leading part in the electrical development of the Province, and is now operating in eight counties.

Under the management and control of Nova Scotians, with a sound financial structure, this company is contributing in a material way to the development and prosperity of the territory it serves.

Benefits resulting from increased earnings and economical operations are being shared by both the company and its customers.

Dependable Progressive Service

Nova Scotia Light and Power Company, Limited
HALIFAX, N.S.

STARR SKATES ARE FAR-FAMED IN MANY LANDS

Old-Established Firm Has Diversified Output

Originally established in 1864 and incorporated in 1868, the Starr Manufacturing Co. has specialized in the production of ice skates and has grown until, at present, it is one of the largest manufacturers of such lines in the British Empire with a product that is not only used throughout Canada and the United States but in most countries in the world in which ice skating is possible.

Was Leader in Field

It is interesting to note that the company was the first to manufacture an all-metal skate, the first actual advance over the wooden-topped skate in general use in the early sixties. The spring skate, a radical improvement over earier models, was, in turn, improved, then superceded and the company kept pace with more modern improvements and types. That Starr skates are held in high favor is attested by the use to which they are put by professional and amateur hockey players and speed skaters, experts who know their blades. In addition to the acclaim of practical skaters, are the medals and awards won by Starr skates at all of the principal international expositions.

Skates, however, are not the sole output. Production has been diversified to include roller skates, bolts, nuts, rivets, railway spikes, axes, hinges and other metal products such as iron fences and fire escapes. The company is also engaged in assembling bicycles and children's vehicles and is a jobber of bar iron which is used to a large extent in the manufacture of its products.

Has Fine Plant

The plant, located at Dartmouth, N.S., is well equipped for almost every phase of metal working and has approximately 60,000 sq. ft. of floor area. The plant is located advantageously on Halifax harbor which serves to reduce transportation costs on both raw materials and manufactured products. The company also owns and operates its own hydro-electric power plant and in case of emergency has facilities for connection with the electric power system of the Nova Scotia Tramways & Power Co. The value of the land, buildings and equipment, after depreciation, as shown in the company's balance sheet is $754,313.

In 1928, S. E. Ballard Co. of Toronto, was acquired and operations transferred to Dartmouth. Ballard skates were well and favorably known in the trade and by the purchase of this company Starr further consolidated its position in this field. In this year, the Starr Manufacturing Co. was reincorporated in Nova Scotia and its first public financing was undertaken in the form of an issue of $300,000 6 per cent first mortgage sinking fund bonds due in 1948. Later in the year further financing was done with the issue of $123,000 6½ per cent general mortgage sinking fund bonds due in 1943.

Stock Closely Held

The sinking fund on the first mortgage bonds became operative from February 1, 1930, and that of the general mortgage bonds will start from June 1, 1932. As at March 31, 1930, the end of the last fiscal year, the entire amount of bonds originally issued were outstanding. In addition to the bonds there are 6,470 shares of no par value common stock outstanding of an authorization of 6,100 shares. This stock is closely held, although 850 shares were distributed as a bonus when the bonds were sold on the basis of one share of common with each $500 bond.

The balance sheet of the company shows total assets of $1,172,563 as at March 31 last. Current assets amounted to $378,022 against current liabilities of $235,527, a ratio of 1.60 to 1. Deferred charges and prepaid insurance totalled $6,498; land, buildings and equipment, after depreciation, $754,313, and patents, goodwill, trade marks, etc., were carried at $33,730. Current liabilities of $235,527, included bank overdraft of $2,185 and bank loans of $175,000. Funded debt totalled $425,000 and capital stock and surplus was shown at $512,036.

Sales Show Increase

No income and surplus account is published by the company but interest on both bond issues has been paid regularly, while no dividends have been paid on the common shares and, it is reported semi-officially, none is contemplated. Total sales of the company were $348,650 in the year ended March 31, 1930, as against $317,525 in the previous year. Skate sales showed a slight drop from $222,267 to $220,927, but sales of bolts, nuts, spikes, bar iron, etc., increased from $95,258 to $127,723.

TEST FREIGHT RATE CONTINUED TO 1932

Special test freight rates on the movement of coal from mines in the Maritime Provinces into the markets of Ontario and Quebec, have been extended until March 1, 1932. The old order-in-council providing for the test rate would have lapsed on March 31 of next year, if its provisions had not been extended by the Federal Government.

The test rates authorized are divided into two categories. Under the provision of the order-in-council, a temporary blanket rate of $3 per ton on coal mined in Nova Scotia, moving to points in Quebec, was authorized. This rate was applicable only during the period when navigation closed on the St. Lawrence River.

Second Rate Type

The second rate applicable to Maritime Province coal under the order-in-council refers to coal which was brought by water carriage to points in Quebec. It provides for a reduction in the freight rates, of one-fifth of a cent per ton mile for the distance which the coal is moved by rail from the point where it is landed from the vessels inland to its destination. It is provided coal will not be moved inland at a rate which is more than 75 cents a ton less than the regular rate.

Adjustment of the amount which the railways are out of pocket on the cost movement is based following hearing by the Board of Railway Commissioners, the Government making good the deficiency, if any.

Fisheries Provide Livelihood for Many Thousands

Next to iron and steel, the fishing industry accounts for the largest share of Nova Scotia's annual income. In respect to number of people dependent for a livelihood, fishing is probably the most important economic activity in the province. In the foreground can be seen vessels in course of construction. Shipbuilding is closely allied with the fishing industry, as the majority of new boats are used in that trade.

Farming Swells Wealth Of Provincial Production

Total Agricultural Revenue in 1929 Amounted to $43,558,000—Outlook for Field Crops and Apples Considered Encouraging

Nova Scotia is fortunate in its wide diversity of production. From its mining, fishing and lumbering industries it draws substantial wealth each year, but in addition its agricultural production provides it with an annual revenue well in excess of $40,000,000.

The soil of the province has been cultivated for many years; and it yields the greatest revenue each year in the form of its apple harvest, Nova Scotia orchard lands being known all over the continent for their productivity. In the Annapolis Valley and elsewhere much attention has been paid to developing apple orchards.

Fine Apple Harvest

In this respect the province leads the Dominion. For years past the average apple harvest has exceeded a million or more barrels. Most of this has been exported to England, though competition in that market has become more severe in recent years.

The apple growing industry is followed by field crops and live stock. Dairying is the most important phase of the livestock industry. Though progress has been made in this category there is considerable room for expansion and the provincial government has been sponsoring various efforts to aid farmers in increasing production of milk, butter and cheese. With the growth of co-operative ideas and knowledge of up-to-date methods, the province should be able to expand its markets and strengthen its position as a dairy producer.

Fair Wool Production

Many farmers diversify their activities by keeping sheep on their farms, a factor which tends to stabilize income. The sheep are kept not so much for their meat as for their wool, and each year Nova Scotia markets a substantial quantity of good quality wool through various co-operative associations.

Due to the smallness of the domestic market and limited abattoir facilities, livestock raising for meat purposes has not expanded in proportion to the excellent pasture land which is available. There are large areas which would prove ideal for livestock raising, but naturally this division of agriculture must remain a comparatively minor factor until better markets are provided. The Provincial Government is working toward this end and the future may bring greater activity in this division of agriculture.

Total value of field crops in Nova Scotia in 1929 was $20,945,000. The annual harvest of hay and clover is the most important item in field crops, and accounts each year for half or more of the total income. Though final estimates for 1930 are not yet available, larger crops in spring wheat, oats and barley are anticipated.

Details of production in agriculture covering two years follow:

	1928	1929
Field crops	$18,824,000	$20,945,000
Farm animals	4,615,000	4,687,000
Wool	391,000	364,000
Dairy products	11,593,000	11,500,000
Fruits & veg.	4,253,000	3,628,000
Poultry & eggs	1,761,000	1,905,000
Fur farming	367,000	456,000
Maple products	59,000	56,000
Clover	12,000	10,000
Honey	6,000	7,000
	41,871,000	43,558,000

Current Crop Outlook Good

This year all crops have been harvested in good condition with fine weather prevailing. The quality of threshed grains is satisfactory. Potatoes and hoed crops are generally of good quality and yield, although rot has been reported from a few districts.

The unusually dry fall weather has found a reflection in water conditions and brooks and wells went dry in some places, having an effect upon milk flow.

Some Harvests Higher

A comparison of certain products on which values have been estimated show a substantial increase over 1929 figures. Following are details of the estimated yield of field crops this year as compared with last year:

	1929	1930
	Bush.	Bush.
Spring wheat	168,000	177,000
Oats	6,588,000	7,022,000
Barley	258,800	306,000
Spring rye	8,000	7,000
Peas	29,000	47,000
Beans	27,500	38,000
Buckwheat	1,064,100	1,243,000
Mixed grains	129,600	123,000
	Cwt.	Cwt.
Potatoes	2,872,000	3,526,000
Turnips	3,454,000	3,741,000
	Tons	Tons
Fodder corn	11,000	13,000
Hay and clover	876,000	859,000

Farming in Healthy Position

While there is much room for expansion in farming in Nova Scotia, agriculture, as a whole, is in a healthy position. The province is sponsoring an active plan for furthering immigration which should tend to increase the productivity of its available farm lands.

Consequently, output in all branches of agriculture may be expected to show a steady increase in the future.

Liquor Control Board Created by Nova Scotia

Following the lead established by other provinces, the people of Nova Scotia have adopted government control of the sale of alcoholic beverages. Profiting by the experience of other provinces, Nova Scotia established a Liquor Commission, vesting in it the exclusive rights to sell liquor, beer and wine through Government liquor stores.

The first store was opened by the Commission on August 18th, 1930. Since that time other units have been opened and at present the commission has in operation 26 stores.

The act provides that beer and wine may be purchased without permit, but a permit must be had in order to purchase alcohol or liquor. These permits are issued to resident and non-resident citizens for a fee of $1 each. Other types of permits issued by the commission include those for banquets, clubs, and special permits to physicians, dentists, veterinaries, manufacturers, and those engaged in mechanical or scientific pursuits.

The commission undertakes to deliver liquor to any place within Nova Scotia where there is mail or express delivery. Various regulations have been laid down as to where liquor may or may not be consumed.

LORD NELSON HOTEL BUILT BY COMMUNITY

Position of the Lord Nelson Hotel Co. has been affected by the construction and bringing into operation of the Nova Scotian Hotel by the Canadian National Railways. Just how seriously this new competitor will affect the Lord Nelson remains to be seen. There has been an increasing tourist traffic, together with a normal growth in business, which may provide sufficient patronage for the successful operation of all hotels in the city.

Backed by the community, the Lord Nelson Hotel Co. raised sufficient money in 1927 to go ahead with the construction of an up-to-date, 200 room hotel building, which was brought into operation late in the following year.

Select Residential Area

The Lord Nelson Hotel is the first of the large hostelries in Halifax to break away from the down-down section. It is situated in the centre of the residential area and a short distance from the up-town business section.

Financing of this enterprise forms an interesting chapter in community development. The need of an hotel to take care of the growing tourist traffic was only too apparent at the time. The citizens got behind the movement by subscribing to a large block of preferred stock, while the Canadian Pacific Railway took up $350,000 of the same security. In addition there was issued $600,000 of first mortgage sinking fund bonds and 3,200 shares of no par value common stock.

Control and management of this hotel are in the hands of the Canadian Pacific Railway.

NEW YORK MART IS HEAVY BUYER N. S. BLUEBERRIES

Much Attention Being Paid to Building Up Industry

New York market is absorbing increasing quantities of Nova Scotia blueberries. Figures from Maccan and River Egvert district of Nova Scotia show an increase of approximately 100 per cent over last year, 9,796 crates, representing 313,000 boxes, being the quantity shipped from that district this year. Large shipments of blueberries were also made from the South Shore districts.

The development of the blueberry industry has been one of the notable bits of constructive work undertaken by the Provincial Government in some years.

Nova Scotia is a peninsula with a range of mountains throughout the centre. The lumber has been partially cut from this bounteous area but large districts are not suitable for ordinary agricultural pursuits because of the closeness to the surface of the rock formation. There are 460,000 acres of such land in the three counties of Yarmounth, Digby and Shelburne, which are available for the production of this crop.

Blueberries have been picked in limited quantities in this area for local consumption, also for shipping out, but it is only during the past four years than any organized attempt has been made to develop the industry on a commercial basis.

Large Annual Income

At the present time, the annual income from the blueberry crop amounts to over a quarter of a million dollars. Yarmouth and Shelburne counties, also parts of adjoining counties, are in the district producing blueberries and shipping to the Boston and New York markets through the port of Yarmouth.

For the profitable production of the blueberries it is necessary to burn the cut-over areas at certain intervals. Hence the first step in developing this industry was to make possible the co-operation of the growers with the Nova Scotia Department of Lands and Forests. Thus has been brought about a definite programme by the department. Areas suited for the industry have been set aside for burning. Associations of growers have been formed and the department works through these associations in the systematic burning of these areas.

Proper Packing Advocated

Next to the burning of the barrens comes a proper packing of products. Markets today demand and will pay for properly packed and greater products. This applies just as well to blueberries as to apples, strawberries and light products. The old system was to crate in second-hand crates brought in from Boston. All too frequently newspaper, catalogues, and similar materials were used in wrapping boxes. There was little uniformity in pack, in selling and in display, all of which seriously affected the price received.

The first organized work on improvement of the pack was done in the season of 1928. Demonstrations were given during the picking season on how to properly fill and pack the boxes and crates. These demonstrations were given throughout the district and along the south shore. This work has resulted in marked benefits.

The great advantage in marketing which the Yarmouth district has is the fact that one can ship by boat to Boston or New York. A person can ship one crate or many; it is not essential to make up carload lots.

The blueberry industry in Nova Scotia is thus one that is possible of much greater development. It is one that already is turning many dollars back to families, who are living in areas that are not particularly adapted to modern farming methods. With proper organization, increased attention to the pack and extension of the area burned, the industry holds promise of becoming one of the most important in Western Nova Scotia.

N. S. Industrial Activity Shows Better Trade

Preliminary surveys of industry in Nova Scotia, show a substantial increase in activity during 1928-29, as compared with the preceding twelve months period. Growth has been due to the generally more prosperous conditions in the area, together with increasing demands for the province products in other parts of the Dominion and in foreign markets.

During 1928-29, the gross value of products produced in Nova Scotia was $117,512,000 or roughly $10,000,000 more than in the previous year. There was an increase of about $5,000,000 in the cost of materials, while the capital invested jumped from $114,800,000 to $134,750,000.

Comparative and more detailed figures of industrial activity within the province the last two years follow:

	1927-28	1928-29
No. of manufacturing industries	1,408	1,436
Capital invested	$114,880,000	$134,750,000
Salaries paid	$ 2,980,000	$ 3,012,000
No. of employees	18,000	19,872
Wages paid	$ 13,250,000	$ 13,509,000
Cost of materials	$ 59,720,000	$ 64,870,000
Gross value of products	$107,900,000	$117,512,000

SWORD FISHING OFF NOVA SCOTIA HELPS REVENUE

Catch This Year Has Been on Larger Scale Than Formerly

Sword fishing in Nova Scotia has proved to be exceptionally good this year. It was not so long ago when this fish was regarded as providing the principal delight of deep sea anglers. Through a growing appreciation of its food value, however, sword fishing on a commercial scale has developed rapidly.

August is the month of major sword fish production off Nova Scotia. This year it yielded a catch of slightly more than 1,000,000 lbs. This compares with 439,600 lbs., 490,900 lbs., 361,700 lbs., and 767,400 lbs. in the same month of each of the preceding years of 1929, 1928, 1927 and 1926, respectively.

Landed Value Good

As far as landed value is concerned, that is, the value of the catch to the fishermen as landed, the following figures tell the story for each August in 1926-1930; 1930, $114,820; 1929, $38,783; 1928, $59,227; 1927, $34,744; 1926, $76,963.

Sword fish are taken off Nova Scotia in midsummer and the earlier autumn months. They are not caught in any other Canadian waters. The record landings were made in 1926, the year when fishing generally was particularly good in Canada and totalled 1,293,600 lbs. with a landed value of $146,416 and a marketed value of over $207,000.

Market in States

The catch is marketed chiefly in the United States where sword fish are in good demand. The fish are sold in fresh form.

Last summer to assist the fishermen in marketing their catches to advantage, a service was maintained under the auspices of the Department of Fisheries whereby landings of sword fish and halibut as well were gathered up by collecting boats along part of the Nova Scotia shore and transported to Boston on these vessels.

A charge was made for the carriage of the fish, of course, but the service gave the fishermen a ready means of getting their catches promptly to market.

Also Produce Oil

Rich in health making properties, over 91,000 gallons of medicinal cod liver oil were produced in fisheries by-products in plants operating in Canada last year. Virtually all of the oil was exported to the United States. Quebec led in a quantity of production, with 42.184 gallons to its credit. Nova Scotia, however, was second on the list, accounting for 30.620 gallons. All told, marketed value of oil was slightly more than $83,000. In addition to the medicinal oil there was also produced a total of nearly 170,000 gallons of cod oil for other purposes.

Nova Scotia Wooden Ware Establish Their Own Plant

Nova Scotia Wooden Ware Ltd. have erected at South Brookfield, N.S., a plant for the manufacture of various kinds of wooden ware. The mill occupies a space of 120 by 60 feet and is two stories in height. In addition, the company will have a dry house, boiler house and warehouse and finishing room. Electric power is supplied by the Nova Scotia Power Commission. For the first year the company propose to manufacture butter boxes, pails and tubs of all kinds. Later on it is the intention of the company to produce barrels and other containers made of wood.

P&B

A COMPLETE
SHIPPING SERVICE

WEST INDIA LINES

Halifax, N.S., to Cuba and Jamaica	Steamers sailing fortnightly from Halifax, N.S., to Santiago, Cuba, and Kingston, Jamaica, calling on alternate trips at Montego Bay and St. Ann's Bay, Jamaica. Through Bills of Lading issued to all outports.
Halifax, N.S., to Bermuda, West Indies and Demerara Ocean Dominion Steamship Corporation	Steamers sailing fortnightly from Halifax, N.S., to Bermuda, St. Kitts, Antigua, St. Lucia, Barbados, St. Vincent, Grenada, Trinidad, Demerara.

EUROPEAN LINES

Scandinavian American Line	Regular sailings from Oslo and Copenhagen.
Goynia America Line	Regular sailings from Danzig and Baltic Ports.

INDIA AND CEYLON LINES

Ellerman Bucknall Lines Bank Line	Regular sailings from India, Ceylon and Far East, to Halifax, N.S. Through Bills of Lading from Singapore, Sourabaya and other ports to all points in Canada.

Steamship Tickets to All Points Agents for Cook's Tours
LLOYD'S AGENTS
PICKFORD & BLACK
LIMITED
HALIFAX NOVA SCOTIA

WE GO ON FOREVER

Faithful in Service to the Maritimes

CONFIDENCE and Protection,—these form the foundation of trust company service. For years the Eastern Trust Company has been the faithful ally of business, enjoying the confidence of all classes of the community. It has been the protector of homes and estates, and the alert builder of prosperity for a wide territory, covering Eastern Canada and Newfoundland.

The Company is the oldest Trust Company in Eastern Canada and was incorporated in 1893. The total value of estates, trusts and other funds under its administration now exceeds Fifty Million Dollars, over half of which has accumulated during the past decade. Its directors are men of recognized standing in the commercial, professional and financial life of Canada and Newfoundland.

It has grown as Eastern Canada and Newfoundland have grown in wealth and stability. It has grown through its ability to give service;—service such as it offers to you, such as is outlined below.

A Complete Fiduciary Service

Comprehensive and varied are the activities of this company. It places at your disposal the following facilities:

WILLS and TRUSTS The Company acts as executor and trustee under wills, as administrator, as trustee under deed of trust, as custodian of securities, as guardian or as financial and confidential agent. Wills are kept in our vaults free of charge.

MORTGAGE LOANS Money is loaned by way of first mortgage on first-class improved properties. Should you desire to borrow on your real estate, consult our Mortgage Department.

GUARANTEED INVESTMENTS Our Guaranteed Investment Certificates are a safe form of security, and are legal trustee investments. There is double guarantee of safety for the investor in the fact that his money is invested in trustee securities or gilt edge first mortgages, while the investment bears as well our written guarantee to repay both principal and interest. Certificates are issued for periods of from one to three years, paying 5% per annum.

REAL ESTATE Our Real Estate Department, manned by experienced officers, is particularly fitted to furnish property owners with the best possible returns from their real estate holdings.

SAFETY DEPOSIT VAULTS At our branches are located the most modern vaults in Eastern Canada, which provide absolute protection against burglary and fire at a small annual cost.

CORPORATE TRUSTS and STOCK TRANSFERS The Company acts as trustee for Bond issues, and as registrar and Transfer Agent for Bond and Stock issues. It prepares dividend lists and pays interest coupons or disburses dividends for corporations. It is authorized to act as trustee in bankruptcy, receivership or liquidation. It acts as custodian for sinking funds.

These are some of the functions of this servant of a great community. Because of experience, permanence and financial strength, it can carry on its work better than can any private individual.

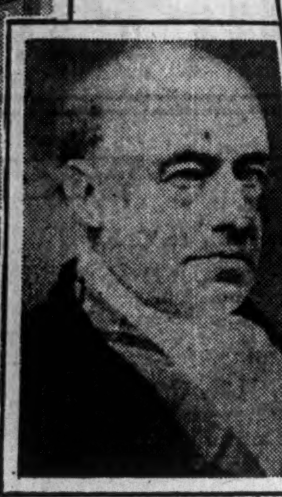
THE EASTERN TRUST COMPANY
—is financially responsible;
—is always available;
—has a trained staff and maintains an up-to-date accounting system, insuring accuracy;
—charges no more than the private executor;
—keeps all papers and documents in safety deposit vaults;
—furnishes statements to beneficiaries at regular intervals;
—is staffed with officers of wide experience in the management of estates and trusts;
—has its books regularly audited by qualified and independent accountants, and is under Government supervision.

This comprehensive, faithful service is yours. Use it. Communicate with our nearest branch office. You will find there trained officers capable of giving sound advice regarding your personal financial affairs.

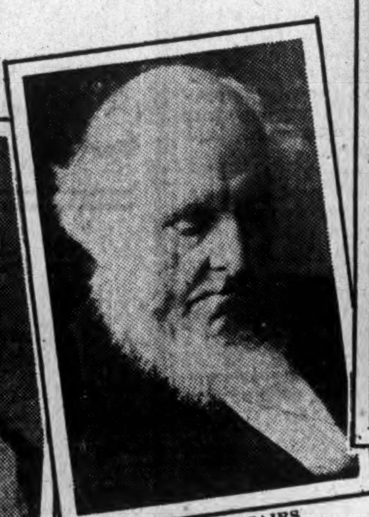
The Eastern Trust Company
Capital (Paid Up) $1,000,000.00 Reserve $200,000.00
Trusts Under Administration over $50,000,000.00
HEAD OFFICE - - HALIFAX
HON. W. A. BLACK, P.C., M.P., President
D. MACGILLIVRAY, General Manager
Branches:
Montreal, P.Q. Saint John, N.B. Moncton, N.B. St. John's, Nfld. Charlottetown, P.E.I.

MARITIME CONCERN SERVES TRADE 120 YEARS

Head office building at Halifax of William Stairs, Son & Morrow.

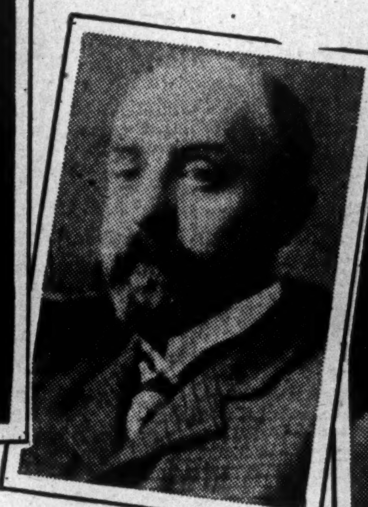


HON. WM. STAIRS
1810-1865

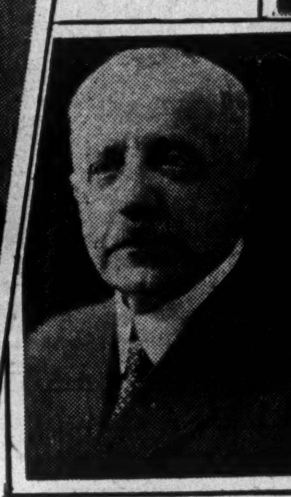


HON. W. J. STAIRS
1865-1906

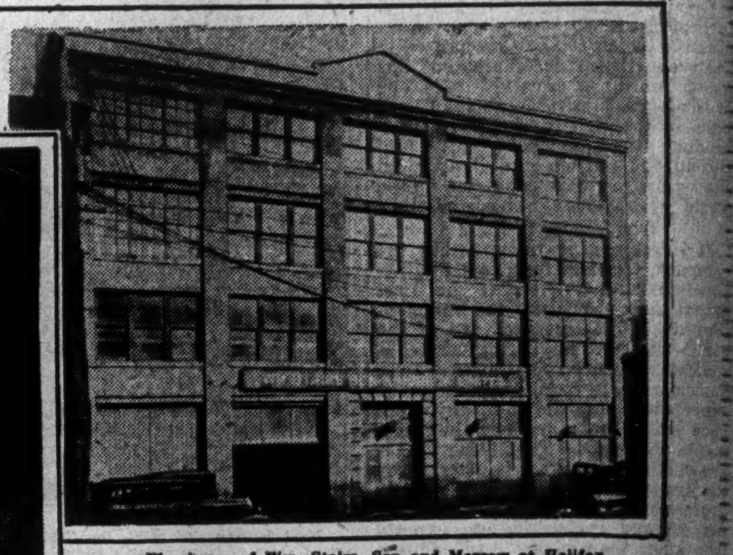
C. W. STAIRS
1926-



EDWARD STAIRS
1906-1913



GAVIN L. STAIRS
1913-1926



Warehouse of Wm. Stairs, Son and Morrow at Halifax.

Six Generations of Service To Maritime Nation Builders Proud Record of Halifax Firm

For 120 Years Wm. Stairs, Son and Morrow Have Kept Abreast of the Changes and Needs in Consequence of the Growth of the Territory Served

OWNERSHIP KEPT IN STAIRS FAMILY

Halifax Supply House Now Handles Large Share of Hardware, Tools, Machinery, Plumbing, Steamfitting and Ship Chandlering Business in Maritimes—Stairs Family Prominent in Industrial Life

It was a small, bedraggled and chastened youngster that came to William Kidston, Halifax merchant, at the beginning of the 19th century, and said—"I am come."

A few weeks earlier Kidston had offered to make a place in his store for William Stairs, then 12 years old. But then, as today, the sea was calling, and William wanted to see the world. From Halifax to Boston he sailed. His weakness was a common failing of many would-be sailors and a billet in a store looked very attractive after his unfortunate experiences at sea.

Fate plays many pranks. Had not the sea voyage forever disillusioned William Stairs of his hope of becoming master mariner, Halifax and the Maritimes in general would not today be able to boast of the fine part played by the Stairs family in the upbuilding of the territory.

When William started in to work for Kidston he was apprenticed until 21 years of age, a common form of bondage in those days. Kidston was one of the prominent merchants of the city, dealing in ship supplies, cottons, wines, liquors, etc., in fact, anything that the young colony might require. The business originally had been started by Brook Watson, who later went to England, where he was knighted by the King and became Lord Mayor of London.

Took Over in 1810

From 1801 to 1810, William Stairs carried out his duties conscientiously. He learned the business thoroughly. In the latter year he took over the business from Kidston and started in business for himself under the firm name of "Wm. Stairs."

Little detail is known of the development of this infant business during the next few years. Presumably it expanded along with the general growth of the town and province. Fishing and shipping were thriving industries in those days and the merchants of Halifax prospered.

Son Entered Business

The first internal change of importance came in 1841, when William's son, Wm. J., was made a partner and the name of the firm changed to Wm. Stairs and Son.

Steadily the company continued to expand. New lines were taken on, old lines expanded. Thirteen years later Robert Morrow entered the business and the firm name was again changed, this time to Wm. Stairs, Son and Morrow.

Saw Many Changes

Between 1854 and 1900, the firm saw many changes in business methods and in the development of the province. The old-time Nova Scotia clipper ships became famous the world over. Wm. Stairs, Son and Morrow played no small part in this work. The day of the clipper ship waned, new interests arose, business was diverted into other channels. Ship chandlering became a secondary activity, more attention was devoted to hardware, tools, machinery, etc., in which lines the company today dominates the greater part of the Maritime market.

Back in the 80's, Wm. Stairs, Son and Morrow, opened a department to supply plumbing and steam fitting fixtures to the trade. It was one of the first companies in the Maritimes to engage in this type of business. The heads of the firm foresaw the trend toward modern sanitation and heating methods, and, following their aggressive policy, entered this business on a substantial basis.

Long prior to this time the company had developed beyond the small town-merchant stage. Its business had become far-flung. Though interest in shipping had dwindled away to negligible proportions by the opening of the 20th century, the company had developed along other lines and was distributing its products throughout the Maritime provinces, West Indies, Newfoundland and elsewhere.

Had Many Interests

Wm. Stairs had retired from the business in 1865. Wm. J. was now head of the company. In common with that now vanishing fine old type of merchant, Wm. J. had numerous interests outside of his own business. He had many sons to provide for. The thing to do was to set them up in their own businesses. Accordingly he started Nova Scotia Steel and Coal Co., now one of the subsidiaries of Dominion Steel and Coal Corp. He also started the Dartmouth Rope Works, later amalgamated with Consumers Cordage Co. The present head of the company is a director of the latter concern. Other enterprises were sponsored by or supported by Wm. J., and his contribution to the industrial growth of the province can hardly be minimized. In 1900 the business was incorporated as a limited liability company.

Six Generations Serve

Between 1906 and 1913; Wm. J.'s son, Edward, headed the firm. There was a break in the direct line of inheritance between 1913 and 1926, when Edward's brother, Gavin, headed the company. But in 1926, Cyril W. (son of Edward) came into control, making the fourth generation of Stairs to head this 120-year old Maritime establishment.

In the last decade, and more especially since Cyril W. came into control, the firm of Wm. Stairs, Son and Morrow has developed into an organization with widespread ramifications. Modern and aggressive business methods have played their part in building up an establishment second to none in the Maritimes.

Maintain High Ideals

Like other successful businesses, the one rule of the company is "the customer is always right." The traditions of this more than century-old firm demand a high sense of business integrity—an obligation that has been maintained for six generations.

Since 1810 Wm. Stairs, Son and Morrow have helped to clear forests, to open mines, to erect factories and dwellings and to lay railroads and highways.

Truly a fine record of service to the nation builders of the Maritimes.

Stairs Sales Policy Has Been Aggressive

One of the first Canadian companies to appreciate the value of advertising as a means of increasing sales, was Wm. Stairs, Son and Morrow. Old records of the company show that newspaper advertising has been carried on regularly for 50 years and more ago. Forty years ago the company issued its first general catalogue. Two hundred copies were printed. It was a monumental affair in those days. Today more items are carried in one department than were listed in the whole catalogue of 1891. Another general catalogue was issued in 1909. Since then special catalogues have been issued as conditions demanded. The quantity printed runs into many thousands, for with the passing of years the number of customers has increased manifold.

SAME FIRMS BUY GOODS OF STAIRS DURING 100 YEARS

Old Invoices Carry Names Still Found on Ledgers

An unbroken record of service extending over 120 years is an achievement in which Wm. Stairs, Son and Morrow take pride. Over and above all, however, the company takes pride in the fact that it has on its books customers of 50 years or more standing. Notable among the clientele of the firm is the firm of Nicholas Paint which has been buying from Wm. Stairs, Son and Morrow for over 100 years.

Among the old records of the company is an invoice setting forth that on Dec. 11, 1828, Nicholas Paint had bought from William Stairs goods to the value of £18.9.10. The purchases included round iron, flat iron and refined German steel. The descendant of Nicholas Paint is still doing business with the Stairs organization.

Though this is an outstanding example, the records of the company show the names of many buyers which have been on the books from the early part of the last century up to date.

The fact that Wm. Stairs, Son and Morrow have been able to retain these customers over such a lengthy period speaks well of the type of service rendered, the maintenance of a high standard of quality and the ability of the company to meet changing needs of the trade. As in the past, so for the future, the Stairs organization has built with the thought of service foremost, and upon that foundation has cemented its contact with the large and small purchaser.

Appoint More Fruit Inspectors

Between fifty and sixty additional fruit inspectors have been appointed and stationed at the different warehouses in the Annapolis Valley with a view to enforcing the new export certificate regulations in regard to apple shipments.

Organization's Growth Due to Splendid Record

Few trading establishments on this continent can point to 120 years of unbroken service. Few can claim that ownership has rested for such a lengthy period in the hands of one family. Yet in Wm. Stairs, Son and Morrow, Halifax and the rest of the Dominion can boast of such a business accomplishment. Fifty-seven years before Confederation and thirty years before Samuel Cunard founded his great steamship line, Wm. Stairs was meeting the needs of his customers from a little store at the corner of Bedford Row and George St., Halifax.

Wm. Stairs built soundly. He knew only one maxim—dollar for dollar value. Upon this foundation, his successors have built an organization that today occupies a strong and worthwhile position in the business life of the Maritime provinces. Many changes have taken place, new demands have arisen, problems to be solved, but each in turn has been met. Succeeding generations have added to the prestige of the concern, furthering its traditions and passing on a more glorious heritage.

There is pride in the traditions of this great Maritime concern. For in the conduct of its dealings on a basis of integrity, the business has been put on a level in which members of the Stairs organization can take honest and justifiable pride in a job well done.

Six generations have aided in the work of clearing land, making roads, digging mines, erecting dwellings and accomplishing the myriad tasks of a young and growing nation. The work goes on inevitably and Wm. Stairs, Son and Morrow are prepared to do their part in making further progress possible.

FINE PERSONNEL FURTHERS AIMS OF OLD CONCERN

Promotion and Income Rest on Individual Initiative

Though a Stairs has always been at the head of Wm. Stairs, Son and Morrow, the organization is not a family concern. When the present head took over the reins of office, he set about building up a personnel in which the word "family" was non-existent, with one exception.

In the set-up of the present organization, everything has been done with a view to putting responsibility on the shoulders of the senior members and making them solely accountable for the operations of their departments.

Five Main Divisions

Operations are divided into five divisions; hardware, plumbing and steam-fitting, heavy machinery, buying and finances. The head of each department is responsible for its operations. Each unit acts independently, but always striving toward a common goal—the further advancement of the firm of Wm. Stairs, Son and Morrow.

The result has been the building up of a compact organization. From the office boy to the director, there is instilled the fine feeling that progress and remuneration is dependent solely upon ability.

Employees on the company's payroll number seventy-five. There are no labor problems. The oldest employee has been with the organization since 1884. Several others started before 1900, while the average length of service exceeds ten years or more.

Look After Welfare

One of the contributory causes leading up to the establishment of the company's sound personnel, is the keen interest taken by the management in the welfare of the employee.

In common with other progressive concerns, Wm. Stairs, Son and Morrow has insured the lives of its employees. After two years' service, an employee is automatically insured. The initial policy is for $500, which is increased $100 for each year of service, until after 27 years of service a maximum of $3,000 is reached.

A notable feature of this group insurance is that directors, teamsters, porters, stock clerks, etc., are all on an equal basis. The length of service is the only determining factor in respect to the amount of insurance placed on the life of an employee. In each case the company pays all premiums.

Due to Loyalty

The growth of Wm. Stairs, Son and Morrow is primarily due to the loyalty of the employees. Aggressive methods have been followed in seeking new business and holding old accounts, but the driving force has been and is the common spirit of loyalty to the firm.

DIVERSIFICATION FEATURES STOCK OF STAIRS FIRM

Wide Range of Goods Has Been Factor in Progress

One of the reasons for the continued progress of Wm. Stairs, Son and Morrow is its ability to supply its customers with virtually any requirement. Nominally the firm advertises its wares under the heading of "wholesale hardware, ship chandlery, metals. plumbing, steamfitting, contractors' supplies and machinery." But a glance at its listings reveals an aggregation of goods that is astonishing.

Prefixed by the title "If it isn't listed below we can get it," there is catalogued a variety of goods ranging from egg beaters to books on the marine code, from pins to pumps, candles to compasses and from tractors to tacks.

Offers Quality Goods

The company stresses the point that it offers dependable merchandise bought from responsible manufacturers. It handles goods manufactured by the Steel Co. of Canada, Dominion Steel and Coal Corp., General Steel Wares, Riley Engineering & Supply Co., Dominion Radiator and Boiler Co., Dominion Lysaght Sheet Metal Corporation, British Ropes Ltd., and Yale and Towne Mfg. Co. These names are representative of those with whom the company does business, and there are many others of a similar calibre.

The company has catered to the shipping trade for many years. It supplies a widely diversified range of goods to mariners; and Maritime fishermen come to Wm. Stairs Son and Morrow for seine leads, swordfish darts, cordage and herring twine and the other appurtenances of their trade. The company's inventories of shipping gear are puzzling to a land-lubber. Chocks, clews, gaffs, logs, jigs, belaying pins and holystones are all quoted as a matter of course; the company, in fact, carries the stock-in-trade of a ship chandler.

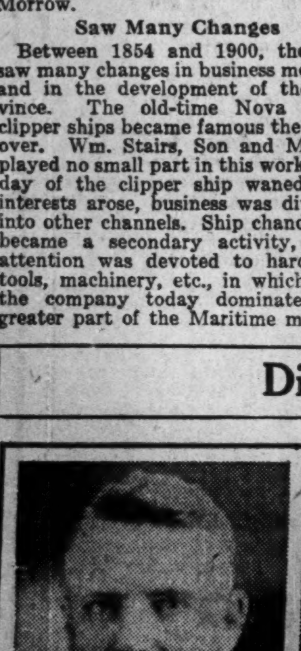
Has Varied Lines

But this only comprises a minor portion of the total business done by the Stairs company. It has built up a strong market for its fittings, machinery, wholesale hardware and contractors supplies. Here are a few products for which the company has an exclusive agency:

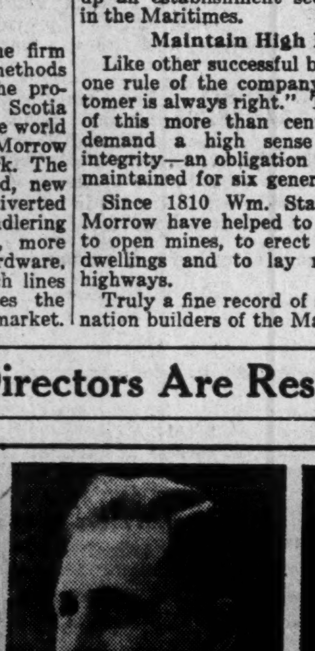
1. "Caterpillar" Tractors.
2. "Dowflake" Calcium Chloride.
3. "Pudlo" Cement Hardener.
4. "Bluenose" Face Brick (Clay).
5. "Scotia" Common Brick.
6. "Novashale" Face Brick (Shale).
7. "Beaver" Common Brick.
8. "London" Concrete Machinery.
9. "Scotia" Ready Mixed Paints.
10. "Athey" Dump Wagons.
11. "Hard-N-Tite" Cement Waterproofer.
12. "Scotia" Patent Roofing.
13. "Gardner" Deisel Engines.

The extent of this list gives an idea of the comprehensive range of Wm. Stairs, Son and Morrow's exclusive lines, and aggressive merchandising policies which have governed distribution in the past may be expected to expand the company's activities in the future.

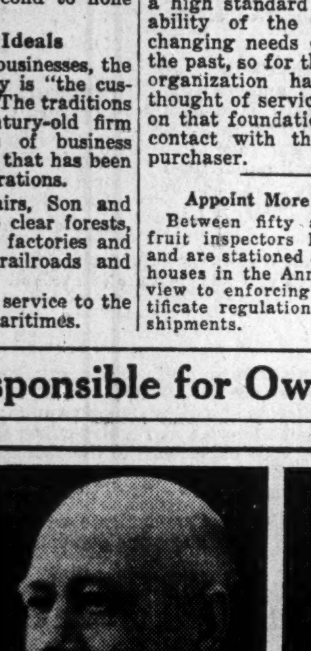
Directors Are Responsible for Own Departments



H. M. STAIRS,
Vice-President

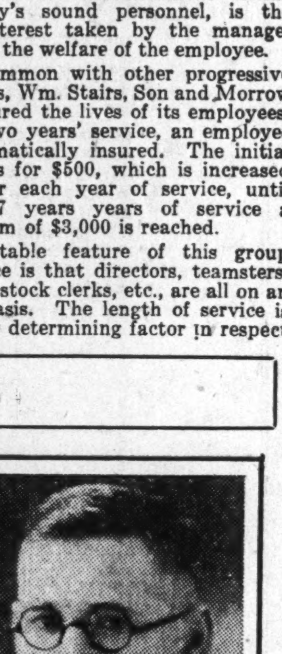


S. R. FOSTER,
Director-Secretary



W. W. HUTTON,
Director-Hardware

A. T. MEAGHER,
Director-Plumbing



R. R. MURRAY,
Director-Machinery

Century of Maritime Growth Shows Well-Developed Progress Of Stairs, Son and Morrow

Vast Changes Have Taken Place in Economic Expansion of Nova Scotia Since Days When Business Was Founded by the First Wm. Stairs

BUSINESS HAS REFLECTED CHANGING NEEDS

Opening of Mines, Building of Railways, Industrial Expansion and Development of Highway Systems Are Only Few of the Many Enterprises in Which the Company Has Played a Prominent Part

The early history of Wm. Stairs, Son and Morrow Ltd. is a saga of the Maritimes.

Since the beginnings of the firm in 1810, under the name of Wm. Stairs, its corporate affairs have been bound up in the economic and industrial life of Canada's provinces by the sea.

Perhaps one reason for the strong foundation on which the company rests—a foundation which has enabled it to weather the vast changes in industry and commerce witnessed in the past 120 years—is that the business of Wm. Stairs has had much to do with the sea and all the trials which attend those following a sea-faring life.

Reflects Maritime Growth

In the growth of the Stairs company is reflected the growth of the Maritime provinces; the history of the firm is a striking cross-section of the various changes which have surrounded Maritime, Canadian and even world conditions in the past century.

To gain an adequate idea of the beginnings of the company, it is well to glance at the Maritimes 120 years ago. Halifax was then a British naval and military port. The Navy found it an important base for operations, and it was garrisoned in a manner befitting strategic position as a key place in British North America.

Little Industry in City

There was little industry in the city other than that which pertained directly to shipping. There were no railroads, no telegraphs, the Maritimes were cut off from the rest of Canada by a journey of weeks. Inland, farmers cultivated the land and brought their produce into Halifax by wagon and sleigh to sell to the citizens.

Shortly after the formation of the company, the war of 1812 tried all but the strongest firms. Conditions were unsettled in Canada but Wm. Stairs survived. Again in 1861 the Civil War in the United States found some repercussions in Canada, especially in the shipping trade, but the company was firmly established by that time and the conclusion of the war in 1865 found the company still in a strong position.

Originally General Merchants

The firm started out originally as general merchants. It catered to all the needs of a growing young colony. Its stock-in-trade was widely diversified comprising everything from liquor to pins. As Halifax grew, so grew the firm. Its reputation was sound, and its customers increased.

In the meantime Halifax was consolidating its position as a sea port. The era of clipper sailing ships was reaching its prime and navigation was at a pitch unknown before in history.

Owned Sailing Ships

Thus between the years 1870 and 1890, the Stairs company branched out into a business which gave it tremendous impetus. World trade was growing fast; its expansion depended on speedier and more efficient sailing ships. Wm. Stairs was quick to take advantage of this condition and in the two decades following 1870 the firm managed or owned some 32 vessels.

Its wide line of merchandise enabled the company to fit out any ship at a moment's notice. Its ship chandling business was established and it was only natural it should grow with the quickening of navigation in and out of Halifax.

Acquired Shares for Services

Interest in the actual management of sailing vessels arose in a natural way. In those days when a man built a ship and sought to get it outfitted, he went to the chandler and asked him to accept a share in the ownership of the vessel in exchange for goods received. Thus when the chandler had fitted out a new vessel he often found himself as owner or part owner in the future destinies of the ship.

The value of a ship was usually divided into 64 parts or shares. The chandler would be awarded a certain number of parts in accordance with the value of goods delivered by him. The system has its counterpart in modern economy when shares of a company are offered in exchange for a property.

Sailed the Seven Seas

These vessels of Wm. Stairs, Son and Morrow sailed the seven seas. They ranged from the China trade to Australia. They brought cargoes from the West Indies and Spain. They sailed, in fact, anywhere a cargo could be had or where they were chartered, and the firm flourished.

Some of the ships were fine clippers. Halifax port records note the clearance of the Esther Roy, Robt. Morrow, Bedford, Calburga, Osburga and the Village Belle, all owned by Wm. Stairs, Son and Morrow. It was a thriving trade while the era of the clipper lasted.

Followed Industrial Trend

As the shipbuilding trade in Halifax tended to fall off, due to the advent of the steamship, Wm. Stairs, Son and Morrow proved its adaptability by extending its activities to keep pace with industrial growth. Gradually the ship chandling business became less and less; the company steadily expanded its business along other lines. It is worth noting here, however, that before the company ended its active participation in shipping it fitted out a sealing vessel and dispatched it to the Indian Ocean.

Today Wm. Stairs, Son and Morrow supplies the diversified needs of a great Maritime market. Its history is a picture of the changing conditions in the Maritime provinces.

Confidence in the Future

Resting on this sure foundation, it faces the future with assurance. It has shared in the growth of the Maritimes in the past; it will continue to play an integral part in their progress in the years to come.

Sales Record Covers 83 Years By Months

Many business men of today point with pride to their complete record of sales. Statistics have been "broken down" so that the sales manager is in a position to give most minute details of his business. Sales records are not a new thing, however, for in the office of the president of William Stairs, Son and Morrow, is a record of sales that can hardly be equalled by any business organization in Canada or the United States. Mounted on a stiff board, the whole attached to a swivel, is a layout showing the monthly sales of the company from 1847 to 1930. During the first 14 years the record sales were recorded in £ s d, and from then on in dollars and cents.

Stairs Serve Big Projects With Supplies

It is only natural that in a history extending over 120 years, Wm. Stairs, Son and Morrow should have had a hand in nearly every major development undertaken in the Maritimes during that period. With the growth of service and addition of new lines, the field of operations has been greatly extended.

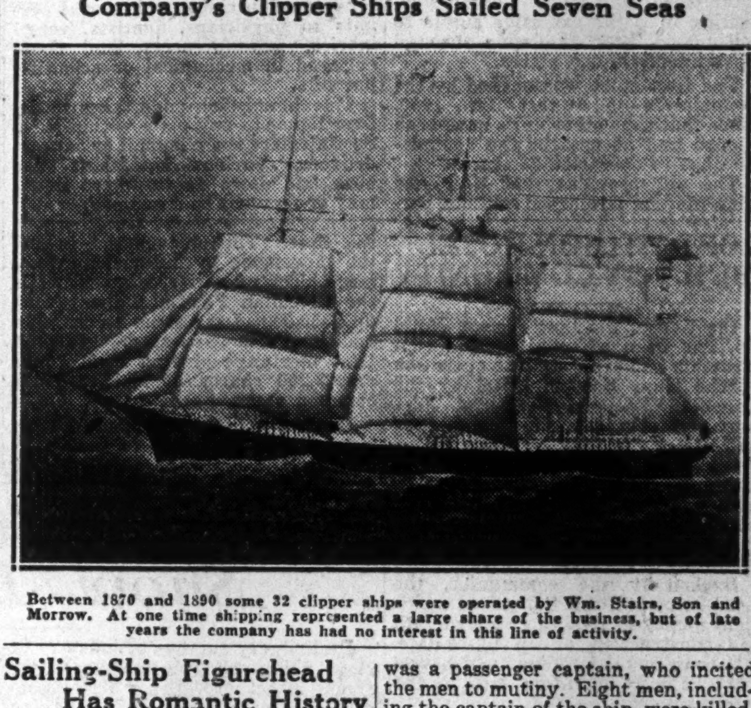
From meeting local demands, the business expanded to outfitting ships, and then to supplying materials to coal miners, saw-mill operators, railways, building contractors and others.

Handle Big Jobs

Aside from the outfitting of ships built in Nova Scotia, the company has supplied materials to Dominion Steel and Coal Corp., Nova Scotia Steel and Coal Co., International Paper of Newfoundland, Acadia Sugar Refining Co., Atlantic Sugar Refineries, Mersey Paper Co., New Brunswick International Paper, Halifax Shipyards, Canadian National and Canadian Pacific Railways, and Nova Scotia Public Cold Storage Terminals. Further it has supplied all the bricks for Halifax's latest hotels, the Lord Nelson and the Nova Scotian.

The list, of course, could be greatly extended to include the majority of numerous small projects undertaken in the Maritimes since the beginning of the century. The above enterprises, however, cover important works undertaken during recent years and in which Wm. Stairs, Son and Morrow have taken a prominent part in providing necessary materials.

Company's Clipper Ships Sailed Seven Seas

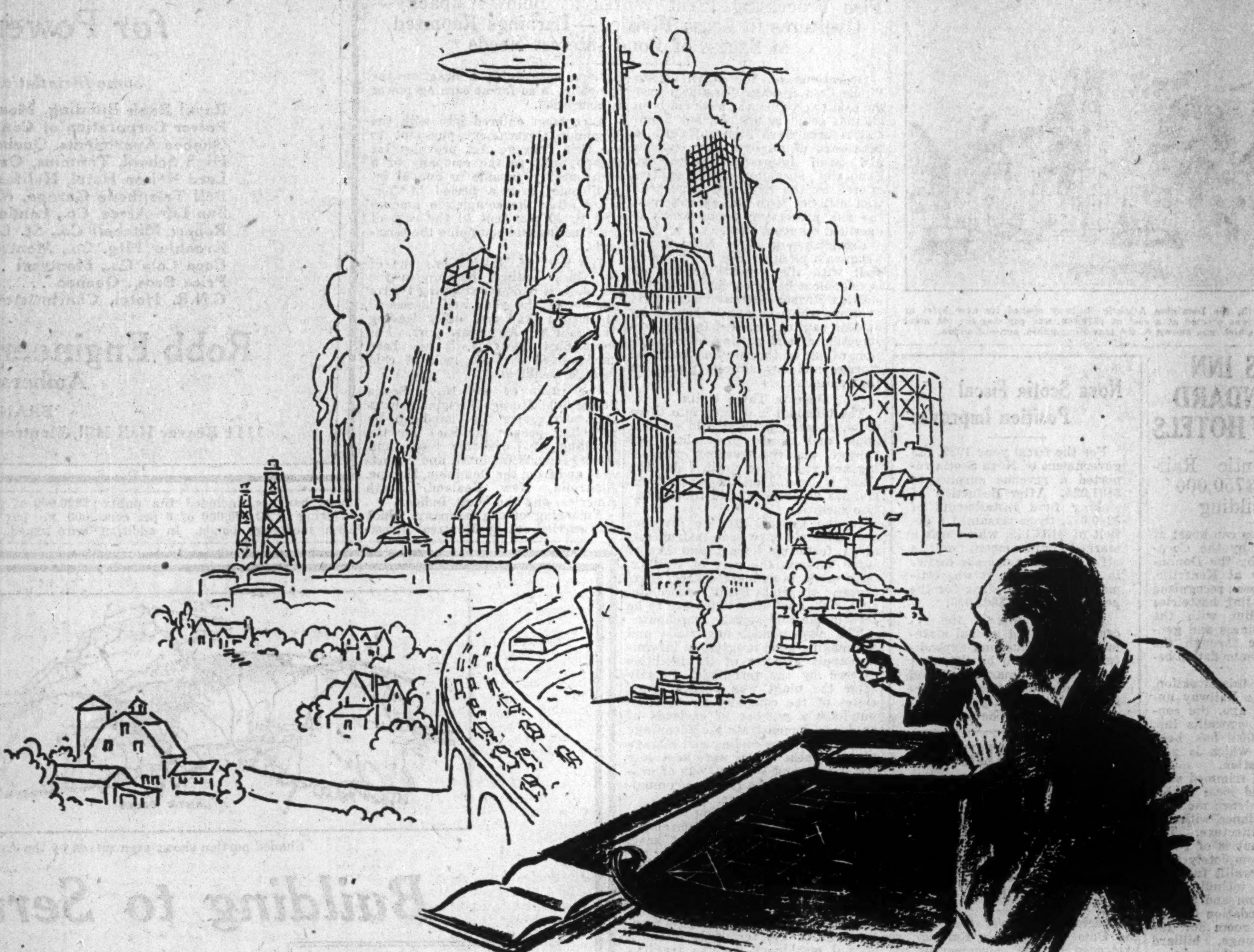


Between 1870 and 1890 some 32 clipper ships were operated by Wm. Stairs, Son and Morrow. At one time shipping represented a large share of the business, but of late years the company has had no interest in this line of activity.

Sailing-Ship Figurehead Has Romantic History

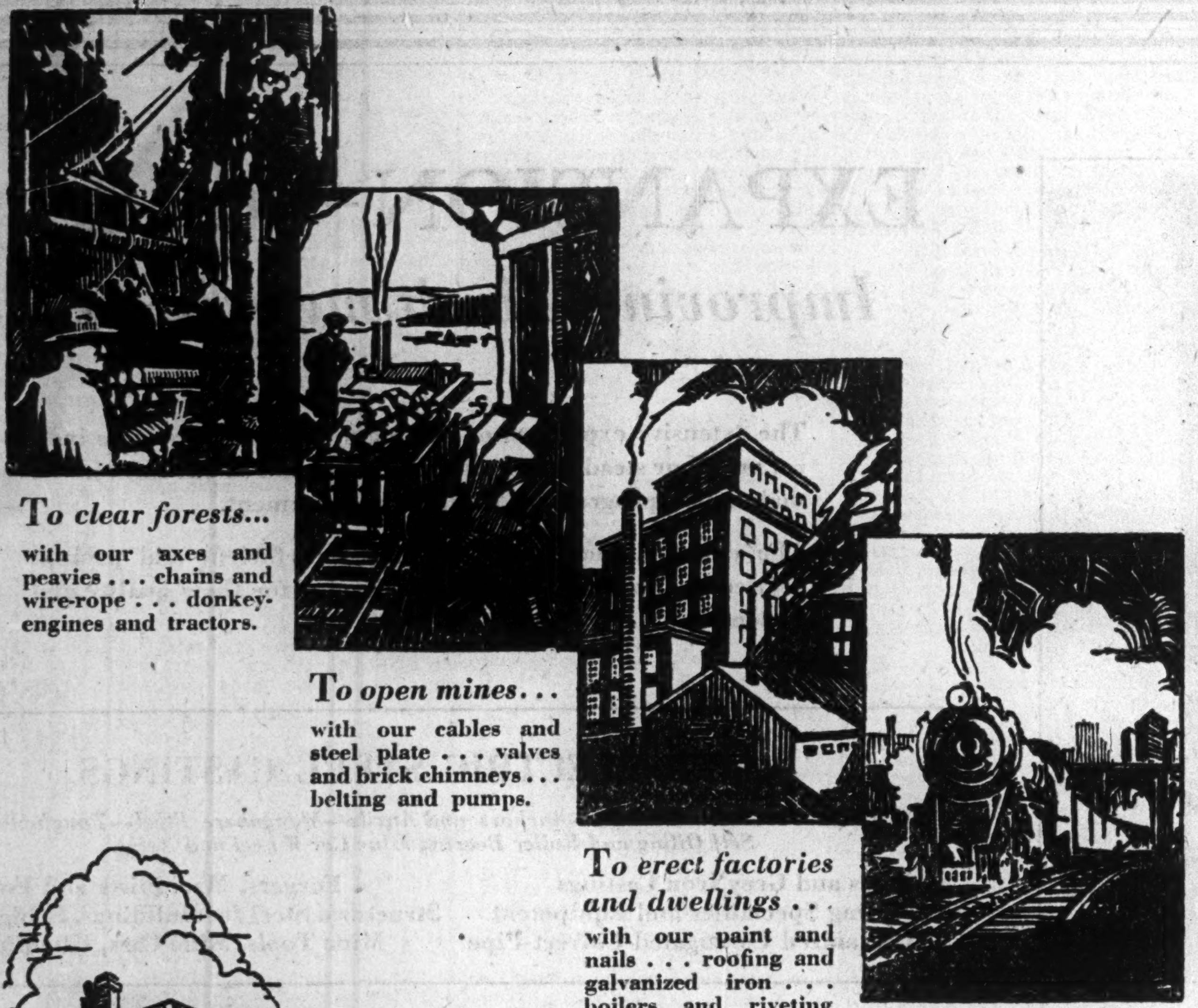
High up in the corner of the office of Cyril W. Stairs, present head of Wm. Stairs, Son and Morrow, is an old, colored figurehead. How it came there forms an interesting sidelight of the romance surrounding the life of port merchants last century. The good ship *Saladin* sailed from Valparaiso in 1844, carrying a cargo of bullion to Liverpool. On board was a passenger captain, who incited the men to mutiny. Eight men, including the captain of the ship, were killed. Later the passenger captain was murdered and the men planned to scuttle the ship on the coast of Newfoundland and depart with the bullion. Their plans went astray, however, for the ship grounded at Country Harbor, near Halifax. A Capt. Cunningham went aboard and arrested the mutineers. The bullion was sent to Wm. J. Stairs, who held it for the owners The figurehead of *Saladin* was removed as a souvenir and now is the property of Wm. J.'s grandson.

120 YEARS OF SERVICE TO SIX GENERATIONS OF NATION BUILDERS IN THE MARITIMES



VISION, SYMPATHY, SERVICE

Since 1810 we have helped

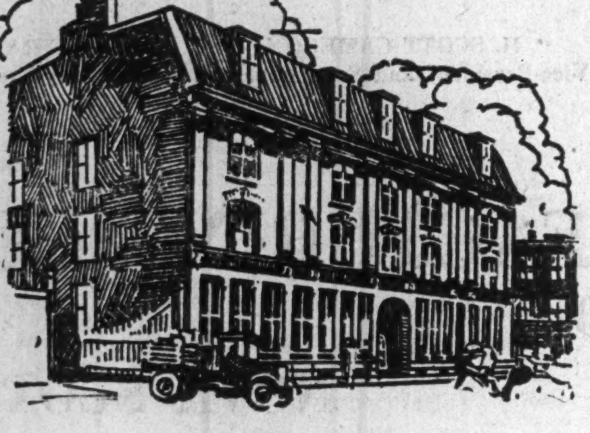


To clear forests... with our axes and peavies . . . chains and wire-rope . . . donkey-engines and tractors.

To open mines. . . with our cables and steel plate . . . valves and brick chimneys . . . belting and pumps.

To erect factories and dwellings . . with our paint and nails . . . roofing and galvanized iron . . . boilers and riveting hammers.

To *lay railroads and highways . . .* with our mattocks and shovels . . . spikes and bolt-clippers . . . tractors and grading machines.



GREAT accomplishments begin with dreams . . . ideas nourished in the mind. Slowly, each idea is built into something tangible . . . the home, the factory, a great industry, a mercantile development or a maritime enterprise.

In 1810, the foundations were laid for a great Company . . . a Company of vision, to anticipate the needs of Maritime homes, Maritime builders, Maritime factories and ships . . . a Company of sympathy, believing in the ambition of men, striving to realize their ideas . . . a Company of service, trained to advise and assist all who are in need of our service.

Dreams do come true . . . ideals become real . . . the horse of yesterday has given way to the tractor of today. And just as Wm. Stairs, Son & Morrow, once devoted themselves to the service of the pioneer on land and sea, so now they lend their service to the builders of our modern homes and highways . . . to the contractors and engineers engaged in the construction of the factories, homes and workshops of Maritime industry.

Growing better is the only valid excuse for growing old, and that is the spirit in which Wm. Stairs, Son & Morrow celebrate its 120th year of continued active business—a grand adventure into the fertile youth of old age.

120 years young is a far more cheerful and hopeful and productive heritage than to be 20 years old. For six generations the infinite spirit of youth has dominated Wm. Stairs, Son & Morrow Limited. This venerable firm has met every change in the fashions of the times with that vision and foresight, with that sympathy and with service, which have made it a vital factor in the community and industrial development of Eastern Canada.

Wm. STAIRS, SON & MORROW Limited
HALIFAX CANADA

WHOLESALE HARDWARE . PLUMBING, STEAM FITTING *and* CONTRACTORS' SUPPLIES
SHIP CHANDLERY . METALS . MACHINERY . BOILERS . BRICKS . PUMPS

NOVA SCOTIA LIGHT CURRENT EARNINGS ON BETTER SCALE

Consolidates Position as Province's Leading Utility

CONTROL AVON RIVER

New Deal Greatly Extends System—Carry Out New Financing of Securities

Nova Scotia Light and Power Co. has further consolidated its position as the leading public utility in Nova Scotia, through acquisition of the voting stock of Avon River Power Co.—an organization which has developed along extensive lines during the last two years.

Operations of the parent company have been further extended in the last year through absorption of the Edison Electric Light and Power Co., serving Springhill, Oxford Electric Co., Chester Light and Power Co., and the Barrington Electric. These companies formerly were under the control of Avon River Power Co.

Centre at Halifax

Principal operations of Nova Scotia Light and Power Co. are centred in the city of Halifax, where the company supplies all gas, electrical light, heat, power and tramway needs. Operations are carried on under perpetual franchises derived from predecessor companies, which had been in operation for seventy-five years or more. For example, the gas business dates back to 1840; tramway operation to 1886; and the distribution of electric light and power to 1887.

Corporate history of Nova Scotia Light shows that these three franchises were acquired by the Halifax Electric Tramway Co. in 1895. Sixteen years ago the present company was incorporated with the name of Nova Scotia Tramways and Power Co., which name was changed to the present title in 1928.

Serve Wide Area

Through the Dartmouth Gas, Electric Light, Heating and Power Co. and the Sackville River Electric Co., Nova Scotia Light supplies the needs of Dartmouth and the suburbs of Bedford and Rockingham.

The latest subsidiary, Avon River Power, has in operation or under construction 200 miles of main transmission lines, and serves the Stewiacke district and the most important towns and rural sections of the eastern Annapolis Valley.

Supply Utility Needs

In respect to the parent company's business, electric current is distributed to over 12,000 customers, through overhead distribution and transmission wires. The gas plant has a capacity of 600,000 cubic feet a day and the distribution system consists of approximately fifty miles of gas mains with customers exceeding 4,000 in number. The gas plant was reconstructed and extended two years ago, and another extension is now being installed. The street railway system comprises more than twenty-five miles of track equipped entirely with one-man steel cars of modern design.

Power requirements of the company are secured largely through purchase at low cost under long term contracts from the Nova Scotia Power Commission. Moreover, the company owns a well-equipped steam station which is operated as an auxiliary.

Increases Power Load

During recent years the power load in Halifax and Dartmouth has increased to such an extent that the company has found it advisable to interconnect its system with that of Avon River Power Co., so as to have available surplus power from the latter company's hydro-electric plant. Work toward this end is now in progress.

The use of electric energy in the territory served by the company is steadily increasing, partly because of the normal growth of business activity and partly because of the modern types of promotional rates that are in effect, by which increased consumption by customer is encouraged. In keeping with this policy, the company put into effect this year a substantial reduction in light and power rates in Halifax and Dartmouth.

Current Earnings Up

Some idea of the progress made by the company may be had from an examination of an interim report on earnings for the first six months of 1930. During that period, gross income from operations totalled $948,536, which, after the deduction of prior charges, left a net operating income of $362,227. Added to this was a miscellaneous income of $34,644, making a total of $396,871. After the deduction of taxes, there remained a net income, before charging bond interest and depreciation, of $323,908. This compares with similar earnings for the full year of 1929, totalling $602,331. This in turn, was one of the best years experienced by the company.

VICTORIA COAL CO. OWN BIG ACREAGE

Installed Plant Capable of Handling 300 Tons Daily

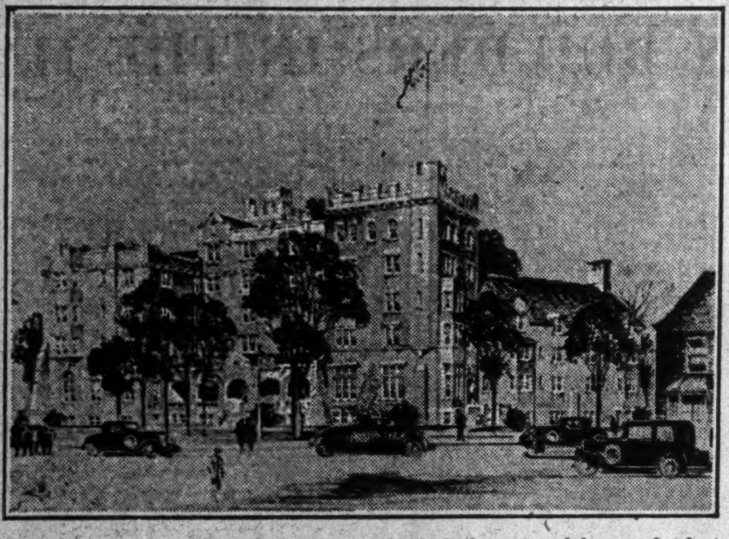
Operations of the Victoria Coal Co. are carried on at the Victoria and Boston properties at River Hebert, in the Cumberland coal fields of Nova Scotia. Coal resources of the company are said to run into some 20,000,000 tons and the company's present output is around 300 tons a day. Under favorable marketing conditions, this amount can be increased.

The mining plant and machinery of Victoria Coal is of modern type, including electrical coal-cutting machines, and conveyors. All the power is from electrical energy, supplied by the Canada Electric Co.

The company owns and operates a small branch railway, and is an important factor in the life of the community in which it is situated, employing about 130 men.

Capitalization is $150,000 of 6 per cent first mortgage bonds and 6,000 shares of no par value common stock.

New Cornwallis Inn Sets High Standard



During the present month, the Dominion Atlantic Railway opened its new hotel at Kentville. This building was erected at a cost of $750,000, and replaces the old hotel of the same name, which was known to the travelling public across Canada.

CORNWALLIS INN SETS STANDARD FOR NEW HOTELS

Dominion Atlantic Railway Spends $750,000 on New Building

Few hotels in Canada can boast of the reputation borne by the Cornwallis Inn, operated by the Dominion Atlantic Railway at Kentville, N.S. For years it has been recognized as one of the outstanding hostelries in the Maritimes. But with the growth of tourist business and generally heavier traffic through the Annapolis Valley, accommodation became inadequate.

In order to remedy this situation, the Dominion Atlantic Railway undertook, over a year ago, the construction of a new Cornwallis Inn. Approximately $750,000 has been spent on this hotel, which is now complete and in operation.

Built of buff brick, trimmed with Indiana limestone and local rubble stones, it has old-fashioned mullioned windows, in accordance with the Tudor style of architecture. The construction throughout is of re-inforced concrete and completely fireproof. The new Cornwallis Inn contains 100 bedrooms, including ten sample rooms, ballroom and assembly hall with accommodation for 250 people; main dining room for 150 people, rotunda, lounge, billiard room, card room, barber shop, etc.

Fine Public Rooms

The ground floor in the main building contains the main public rooms, consisting of rotunda, lounge and dining room. The latter has large windows and a terrace overlooking the garden, which covers about an acre. The assembly room, Georgian in design, has accommodation for 250 people and is decorated to serve as ballroom, banqueting chamber and convention hall.

On the lower floor are ten sample rooms, as well as a billiard room, card room, luncheon room, barber shop and ladies' hairdressing parlor. The kitchen and other offices are on the lower and ground floors. Each of the four floors are bedrooms in the main building, have on suite, consisting of three rooms and foyer, each of the two bedrooms of these suites are equipped with bathrooms, so that they may be rented either as two or three rooms. All the other bedrooms are spacious and have bathrooms.

Nova Scotia Trust Shows Gain in Assets

Nova Scotia Trust reports the most successful year in its history for the twelve months ended February 28 last. Estates, trusts, and agencies under administration, increased over $1,000,000 during the year and now stand at $4,015,384. Guaranteed investment account has increased to $1,097,683.

Net earnings for the year amounted to $61,884 in addition to which the company received $13,490, as premium on new stock issued during the year. Approximately $25,000 went to reserves, increasing net funds to $125,000.

Total assets stand at $5,113,067, which is exclusive of deeds of trust or bond issues.

Nova Scotia Fiscal Position Improves

For the fiscal year 1929, the government of Nova Scotia reported a revenue surplus of $101,924. After deduction of sinking fund installments of $240,073, there remained a deficit of $138,148, which was a marked improvement on an official statement made earlier in the year when it was estimated that the deficit for the period would be $863,999.

Figures shown in the recently published annual statement of revenue and expenditure and said to be the most satisfactory in many years and are a reflection of the prosperity which the province has experienced during the past year.

D. A. R. LOADINGS REFLECT BETTER APPLE EXPORTS

Figures to November 13 Ahead of Same Period in 1929

Freight traffic over the lines of the Dominion Atlantic Railway, as evidenced by the movement of the principal commodity, namely, apples, shows an improvement this year over the figures recorded for 1929.

Last year was one of the best experienced by the company since 1921, but preliminary indications would point to 1930 being even better.

While the products handled by the railway represent a wide diversity of products, apples have been and are the principal commodity shown in the company's freight returns.

Export Movement Larger

This has been a good year for the apple crop, though there was considerable damage in the early part of October due to unseasonable weather. Despite this minor setback, the Dominion Atlantic Railway reports an export movement of apples via Halifax up to November 13 last of 347,496 barrels, 20,809 half barrels and 2,335 boxes. Up to the same date last year, shipments on the same basis totalled 330,976 barrels, 8,624 half barrels and 24 boxes.

Other sources of revenue have held up satisfactorily this year. Preliminary returns would indicate that the tourist traffic was not as heavy as last year, but, on the whole, it was reasonably good.

Among the development work carried out by the Dominion Atlantic Railway this year was the construction and completion of the new Cornwallis Inn at Kentville, involving an expenditure of $750,000.

Business Indices Reveal Growth of Atlantic Area

Figures of Trend of Business in Three Maritime Provinces

Month	Construction contracts awarded $000	Building permits $000	Index of employment Jan., 1920 — 100	Bank debits $000,000	Sales of insurance $000	Commercial failures Number
1927						
January	94	12	90.8	47.3	2,256	11
February	430	39	87.5	45.4	1,839	19
March	127	150	86.8	47.8	2,459	11
April	1,110	516	87.2	48.3	2,639	11
May	1,391	503	89.6	51.0	2,622	9
June	1,997	577	92.2	49.9	2,968	6
July	670	573	100.5	56.1	2,256	13
August	838	134	100.9	51.7	2,701	23
September	310	226	100.0	55.4	2,266	6
October	1,522	151	96.3	56.6	2,902	12
November	699	85	89.2	54.8	2,594	8
December	300	38	88.3	63.4	2,996	8
1928						
January	79	41	97.1	53.0	2,565	17
February	266	40	97.0	50.7	2,251	14
March	284	1,114	97.5	63.5	2,545	6
April	2,558	274	98.5	62.6	2,767	10
May	19,578	302	101.3	69.7	2,395	11
June	2,248	288	107.2	63.1	3,104	12
July	784	980	116.2	67.7	2,360	8
August	3,851	499	117.0	60.6	2,521	20
September	3,521	153	115.4	56.4	2,148	12
October	1,694	398	114.9	65.2	3,040	13
November	1,105	150	109.5	63.8	2,720	7
December	202	101	108.1	69.1	3,132	20
1929						
January	94	429	103.3	66.7	2,539	18
February	603	38	104.6	58.0	2,511	9
March	194	888	160.8	66.6	2,482	7
April	1,154	1,729	107.5	64.9	3,187	14
May	1,970	613	108.3	68.8	2,690	11
June	1,816	423	112.5	61.5	3,074	6
July	1,484	728	117.9	79.4	3,004	5
August	1,566	830	127.5	64.2	2,722	5
September	1,744	904	127.3	60.1	2,940	6
October	8,150	248	123.7	73.8	3,061	13
November	1,059	735	124.6	68.8	3,459	17
December	347	244	113.3	65.2	3,078	20
1930						
January	1,427	171	113.6	60.5	2,559	20
February	2,485	783	112.1	51.4	2,358	12
March	1,417	577	110.2	55.4	2,887	9
April	1,337	1,017	107.8	55.8	2,924	11
May	1,953	516	113.1	62.6	2,614	2
June	3,600	387	122.4	59.4	3,411	7
July	1,879	144	141.4	65.1	3,085	10
August	1,433	847	140.9	56.3	2,279	7
September	832	246	122.5	57.3	2,572	4
October	....	...	116.2	...	....	..

Trawler Ruling Affects Nova Scotia Cold Storage

Fish Processing Plant Works at Below Capacity—Overtures to Lease Division—Earnings Reported in Excess of Bond Interest Needs

Operations of the Nova Scotia Public Cold Storage Terminals over the past twelve months have not been all that could be desired, but financial returns have been sufficient to take care of all operating charges and bond interest requirements. Generally speaking, the facilities offered by the terminals have been well utilized, with the exception of the fish processing plant, which is operated on short time.

Establishment of the Nova Scotia Terminals plant at Halifax fitted in well with the general scheme of development being carried on by the Halifax Harbor Commissioners. This venture, which is largely backed by outside capital, resulted in the construction of and putting into operation, of one of the most modern cold storage and dry storage plants on the continent.

Operate Three Units

The terminal is divided into three units, namely, general cold storage apple and potato pre-cooling and storage, and the freezing, processing and storage of fresh fish. The plant is located on the water-front and has an excellent rail transportation facilities.

In the general storage division, the terminals have been instrumental in fostering import and export trade through the port of Halifax. Such products as meat, butter, eggs, cheese, tropical fruits, chocolate, furs, fish, and other items are to be seen in the cold storage warehouse.

The management has made and are making good progress in informing apple growers of the facilities offered by the terminals. Shortly after the plant was opened, associates of the company arranged to purchase a number of carloads of apples to demonstrate the advantage of the apple pre-cooling and storage plants. These apples were kept over the winter and sold at "out of season" prices and the results communicated with the growers.

The freezing, processing and storage of fresh fish has not developed as satisfactorily as it might have. This is not due to any fault in the design of the building, nor to the management, but arises out of the fact that the Dominion Government has seen fit to restrict operation of trawlers. At great expense the management of the terminals installed special machinery for the freezing and processing of fresh fish.

Receive Federal Subsidy

It is essential with expensive machinery of this type that regular supplies of fish be landed at the terminals wharf. According to the management this can only be done by the operations of steam trawlers and not by sail boats. Now that the Government has put into effect its limitations of the former type of fishing, the outlook for this branch of the terminals is not all that was expected when the scheme was first conceived.

It is difficult to say at the moment whether arrangements can be made to derive the full benefit from this machinery. Overtures have been made to the company for the leasing of this division, but to date no agreement has been entered into by the management.

The management had had great hopes of building up a highly profitable fish freezing business. The process is new and the product turned out is of exceptionally high quality and is readily marketed. The limitation of the fish supply, however, seriously interferes with plans. It may be that, later on, the Government will rescind its regulations on the use of trawlers. Meanwhile this division constitutes a drag on the company, in so far as earning power is concerned.

A contract entered into with the Dominion Government pursuant to the Cold Storage Act provides for the payment to the company of a cash subsidy payable in annual installments, over a period of four years after the completion amounting to 30 per cent of the cost of constructing and equipping the terminals.

The port of Halifax has one of the finest natural harbors in the world. It is open for shipping twelve months of the year and is nearer to Europe than any other leading Canadian or American port. For years past, however, it has been handicapped through lack of cold storage facilities.

The plant of the Nova Scotia Public Cold Storage Terminals, however, overcomes this handicap by providing proper facilities for the handling of perishable foods and other products imported and exported to and from the Dominion, Europe, Australia, New Zealand, South America, and the West Indies.

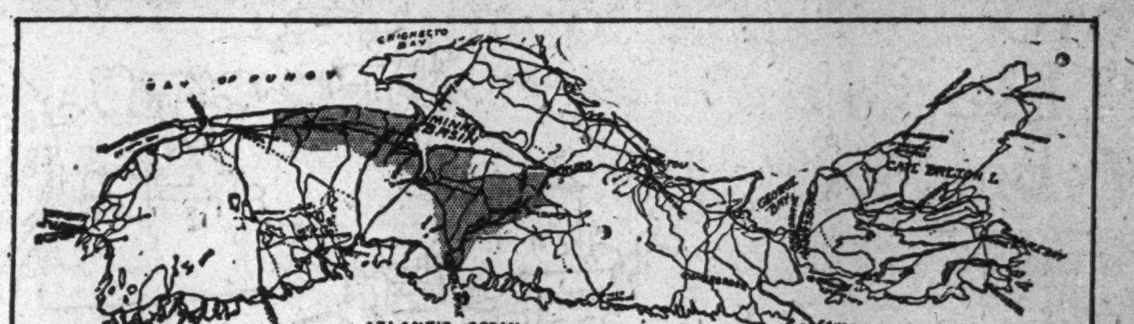
Financing of the company, which was carried out by Montreal investment bankers, included the public offering of $1,700,000 of 6 per cent first mortgage bonds. In addition $220,000 of preferred stock and 50,000 no par value common shares were issued. There is also outstanding $326,350 of 5½ per cent serial notes, which are secured by the subsidy.

WATER TUBE BOILERS
for Power and Heating

Some Installations Recently Made by Us:

Royal Bank Building, Montreal .... 3 - 260 H.P.
Power Corporation of Canada, Sentinel, Alta. . 3 - 665 "
Quebec Apartments, Quebec .... 2 - 140 "
High School, Timmins, Ont. .... 2 - 140 "
Lord Nelson Hotel, Halifax .... 2 - 100 "
Bell Telephone Garage, Montreal .... 1 - 180 "
Sun Life Assce. Co., London, England .... 1 - 25 "
Robert Mitchell Co., St. Laurent .... 1 - 160 "
Kroehler Mfg. Co., Montreal .... 1 - 160 "
Coca Cola Co., Montreal .... 2 - 120 "
Price Bros., Quebec .... 2 - 117 "
C.N.R. Hotel, Charlottetown .... 2 - 120 "

Robb Engineering Works, Limited
Amherst, Nova Scotia
BRANCH OFFICES:
1111 Beaver Hall Hill, Montreal 2 Gould Street, Toronto 2, Ont.



Shaded portion shows area served by the Avon River Power Co., Ltd.

Building to Serve . . . .

Board of Directors
W. H. Chase, *President*, Wolfville, N.S.
J. C. MacKeen, *Vice-Pres.* Halifax, N.S.
T. B. Akin, *Sec.-Treas.*, Windsor, N.S.
R. A. Jodrey, *Man.-Director*, Wolfville, N.S.
J. Mc. G. Stewart, *Director*, Halifax, N.S.
Geo. A. Chase, *Director*, Port Williams, N.S.
J. B. Hayes, *Director*, Halifax, N.S.
W. H. Covert, *Director*, Halifax, N.S.

Many of Nova Scotia's Most Prosperous Sections

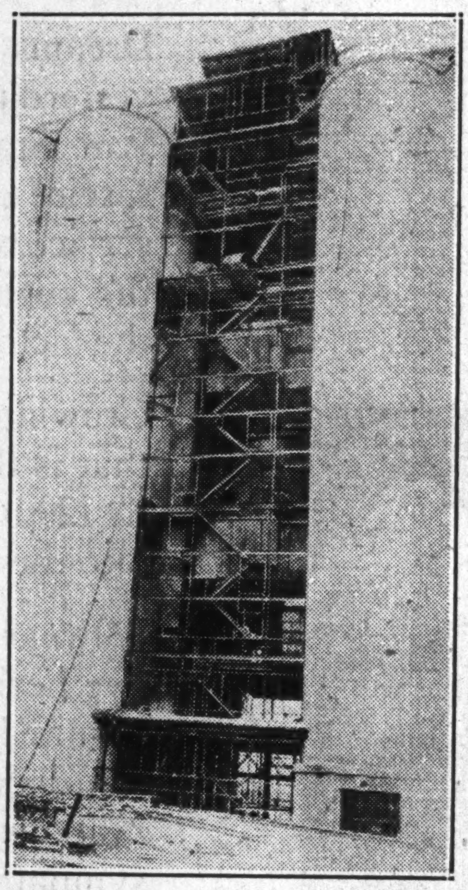
THE Avon River Power Company owns and operates two Hydro Electric power plants on the Avon River, Nova Scotia.

The Company's development on the Avon River comprises two power plants with a total capacity of 7,000 H.P. The Company also owns a third power site at a point one mile further down the river, capable of developing about 1,000 H.P. The Gaspereaux River development has 1,100 H.P. installed capacity.

In addition Avon River Power Co. has a hydro development of 500 H.P. on the Fall River and has now finished construction on the Black River, a further development of 4,500 H.P.

The Company owns undeveloped power sites capable of producing at least 8,000 H.P.

THE AVON RIVER POWER CO. LTD.,
Windsor — Nova Scotia


Structural Steel for Grain Elevator Extension at Halifax, N.S., fabricated and erected by J. W. Cumming Manufacturing Company.

EXPANSION—to Serve
Improving Maritime Conditions

The extensive expansion of our plant, now under way, is indicative of our steadily increasing business and of our faith in the maintained progress of Maritime development.

The enlarged facilities will assure an efficient and prompt service in supplying products — known for their quality and dependability.

ACID ELECTRIC STEEL CASTINGS
Miscellaneous Steel Castings—Anchors and Anvils—Manganese Steel—Toughened Steel Self Oiling and Roller Bearing Mine Car Wheel and Axles.

Brass and Grey Iron Castings
Mining Specialties and Equipment
Galvanized Corrugated Culvert Pipe
Forgers, Machinists and Founders
Structural Steel for Buildings, Bridges, etc.
Mine Tools, Mine Cars, Hitchings, etc.

JAMES T. CUMMING, President and General Manager
H. SCOTT CAMERON, Vice-President and Superintendent
A. S. FRASER, Secretary-Treasurer

J. W. CUMMING MANUFACTURING CO.
LIMITED
NEW GLASGOW - NOVA SCOTIA

MOIRS PRODUCTS ARE DISTRIBUTED TO WIDENING AREA

Operations Carried on at Halifax for Century

PROFITS ARE GAINING

Sales for Year to Date Are Reported to be Ahead of Record Past Year

This year Moirs Ltd., celebrates its first century of operation. Since its establishment the company has steadily gone forward until today it has built an international reputation for its products.

Chocolates, candy, biscuits and breads are known throughout Nova Scotia, the West Indies, South America, New Zealand, South Africa, Newfoundland, as well as other provinces of the Dominion.

From an investment point of view, Moirs has only been of interest in the last four years. In 1925 the company was re-incorporated and public financing carried out. From its head office in Halifax, distributing branches are operated at Saint John, Montreal, Toronto and Winnipeg.

Operate Big Plant

Plants are all located at Halifax and cover the aggregate floor space of approximately 9 acres. Last year an addition was added which doubled the capacity of the plant from 50,000 pounds of chocolates and confectionery products to about 100,000 pounds. The bakeries have a capacity of 11,000 loaves of bread, 2,500 pounds of cake and 5,000 pounds of biscuits per day.

During the current year construction was completed of a new building for the service department, a modern bread and cake bakery and a substantial increase in mill room facilities for grinding chocolate.

Sales Record Gain

During the last six years Moirs has reported a steady increase in sales. During 1924 gross sales totalled $2,752,421. There was a slight drop in 1925 and 1926, but a steady recovery from then on with sales of $3,032,736 in 1929. Current reports would indicate a further gain in sales, though it is not possible to forecast the full year's results as the success of the year's operations depends very largely upon the volume of Christmas trade.

One of the strong features of this Nova Scotia enterprise is the well directed sales policy carried on from year to year. It is estimated that it handles about 95 per cent of the sales in Nova Scotia. Greatest progress, however, has been made in sales outside of the province. The importance of this is more readily realized, when it is understood that about fifty per cent of the company's business is done outside of Nova Scotia and about 7 per cent in export business.

The export business is largely in chocolates and confectionery, while the domestic trade consists of chocolate, confectionery, bread, cakes and biscuits.

Offer Securities Publicly

Corporate history of Moirs is an interesting one and is not dissimilar to that of the organizations founded in the older settled communities of Canada.

It was incorporated as a company in 1903; the present organization came into being five years ago. Investment interest lies in the first mortgage bonds, of which $1,324,000 are outstanding. In addition there are 15,133 shares of no par value common stock. The latter is closely held.

Finances Grow Stronger

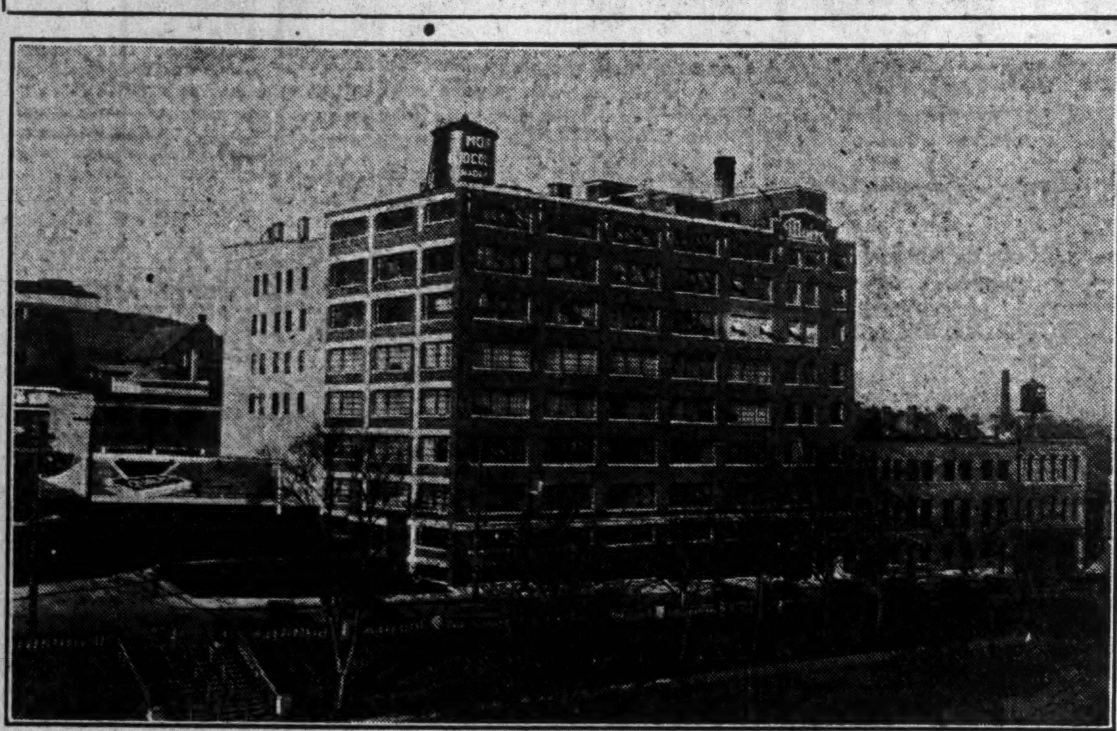
The financial position of the company has shown increasing strength during recent years. At the end of 1929 assets totalled $4,123,570, of which current assets amounted to $1,453,761. Land, buildings and equipment were carried on the books at $2,617,153, investments at $43,497 and deferred charges, $9,159.

Current liabilities are shown on the balance sheet at $496,110, leaving the company with a working capital position of $957,651. Aside from the funded debt, a depreciation reserve of $537,088 has been set up, while $32,000 has been reserved for contingencies. Capital stock is given a value of $1,513,300 while surplus amounts to $221,072.

Plough Back Profits

Up to date the company has not made any distribution on its common stock. Though earnings have been sufficient to justify declaration of a dividend, the management has followed the policy of ploughing back earnings. During the past year common stock earnings totalled $4.25 a share, as compared with $3.01 in 1928. The average during the past four years has been around $3.75 a share, which rate should be maintained during the current year.

Moirs Products Find International Market



This view of the plant of Moirs Ltd. at Halifax is typical of the type of major industries carried on in Nova Scotia. From a very small beginning, Moirs has developed until today it is carrying on a national business, as well as exporting its products to many countries outside of the Dominion.

IMPERIAL OIL IS LARGE EMPLOYER IN NOVA SCOTIA

Refinery Near Halifax Has Capacity of 10,000 Barrels

Imperial Oil, Ltd., provides Nova Scotia with one of its major basic industries in the operation of a modern refinery at Imperoyal, near Dartmouth, on Halifax harbor. The refinery has a daily capacity of some 10,000 barrels of petroleum products which include gasoline, refined oils, fuel oil, asphalt and other petroleum by-products and provides employment for between 700 and 800 men, the majority of whom live in the company's town, Imperoyal.

Employs 1,000 Men

At Halifax is located the divisional sales office for Nova Scotia and Prince Edward Island. Throughout the Province of Nova Scotia there are located some 50 distributing stations, shore tankage stations and warehouses which, in turn, supply the many service stations which provide the motorist with Imperial products. Upward of 1,000 men are employed by the company in the province, while the retail sale of petroleum products gives work to many more.

Originally placed in operation in 1918, the refinery has grown in size and importance. Crude is shipped in from Peru and Colombia and the Gulf Coast field, refined at Imperoyal and the resulting products are distributed throughout the Maritime provinces and eastern Quebec and, upon occasion, further west. The entire production is sold in the domestic market. Advices from Halifax state that during the first nine months of 1930 the company expended some $1,000,000 on improved plant and equipment in Nova Scotia and a programme of building of new service stations is under way.

Is Testing Structure

Another feature of the company's activities in Nova Scotia, which may extend the known value of the natural resources of the province, is a drilling operation being undertaken between Scotsburn and West Branch, about 30 miles from Truro. Here, there has been oil seepage which may be evidence of oil in quantity beneath the surface. Geological structure is not definite but the drilling which has now progressed about 1,000 ft. will provide information as to future possibilities. The well will be the first to be drilled in Nova Scotia in exploring for oil, although the company has had prospecting parties in the Maritimes for some three years and has tested structure by diamond drilling at various points. In 1929, operations along this line were centred around Amherst, N.S.

Rich Mineral Resources Of Nova Scotian Division Bring Millions in Revenue

Coal, Iron and Steel Highly Developed Industries

POSSIBILITIES GREAT

Capital and Demand for Products Needed to Bring About Expansion

Mining is one of the chief forms of economic activity in Nova Scotia. Due to the great advance of mining in other parts of the country, the fact is likely to be overlooked that this province is one of the Dominion's largest producers, as well as one of the oldest. Over 100 years ago gypsum was mined in the province; official figures on gold production go as far back as 1860; coal deposits have been recognized for a century or more, while exploration for base metals has been carried on for over 50 years.

Thus it will be seen that mining is not a new enterprise to Nova Scotia. Rather is it an old and tried industry. It is well to remember the proven situation that exists in Nova Scotia's mining industry.

Coal Principal Product

Coal will probably always be the chief mineral product of the province. The greater part of Nova Scotia's coal output comes from the Sydney coal field, Cape Breton Island, which is not only the largest field in the province but the most highly developed and productive in Canada.

The coal industry in this province, as in the other coal producing areas of Canada, is feeling the effects of restricted production, as well as keen competition from foreign producers. Recently the Dominion Government decided to extend its special freight rate, designed to facilitate the marketing of Nova Scotia coal in Upper Canada. The introduction of Russian coal, however, has unsettled the market which has had an effect upon production in Nova Scotia.

Application of modern devices and methods of permanent construction however, assure that the coal industry of Nova Scotia will continue to be a large revenue producer for many years to come. The sinking of the "B" shaft by the Dominion Coal Co. primarily for the winning of coal from submarine areas, is one of the outstanding and aggressive developments undertaken in some years. It is estimated that the life of this plant will be at least 125 years; and that before it is abandoned, some 140,000,000 tons of coal will have been hoisted to the surface.

Though the Sydney coal field is the most important in the province, there are also most productive fields on the mainland in Cumberland and Pictou counties.

Big Gypsum Deposits

The province is gifted with enormous deposits of gypsum of very pure quality, frequently 100 feet in thickness. Production of gypsum in Nova Scotia is by far the greatest in the Dominion. At Windsor, in Hants Co., the Canadian Gypsum Co. operates the largest gypsum mine in the province. Large quantities of gypsum from this locality are exported to the United States.

Though gypsum was mined in Nova Scotia as early as 1829, it is only in recent years that the industry has had its most remarkable expansion. During the past year 928,895 tons of gypsum, valued at $1,152,160 were produced.

Further Processing Wanted

Gypsum deposits containing an excellent grade of material are widespread in the central and eastern parts of the province and are extensively worked in a number of localities. In spite of a large production, only two per cent of the output is calcined in the province, nearly all of it being shipped to the United States. This is naturally a disappointing situation, which, it is hoped, will be remedied in the future.

Salt Mining Developed

The third most important industry is salt mining. Many deposits of salt are indicated in the province by salt springs. At present not even an approximate idea of how much salt exists can be formed, but evidence points to a vast quantity in the province.

A fine deposit of high-grade rock salt has been exploited during the last 100 years at Malagash. It has proved to be 400 feet wide and the length and depth are not yet known. Engineers estimate that so far about 60,000,000 tons of salt, pure enough to sell directly after mining and crushing, has been blocked out, with an additional 300,000,000 tons of a slightly lower grade.

In Cumberland Co. the Malagash Salt Co. operates the only rock salt mine in the Dominion. This deposit was discovered in 1917, and has since that time been in continuous operation. The principal market for the company's product is the fish packing establishments in the Maritime provinces, though of late it has interested itself in other fields.

Diatomite Being Developed

Another factor of growing importance in the province's mineral resources is the increasing number of uses to which diatomite is being put. This product is principally used in industry as a filtering medium, for abrasive purposes and as a filler in paint or rubber, though its chief use is as a heat and sound insulating material. Hitherto mined only in small quantities in Nova Scotia, diatomite is likely to become a product of some importance. A recent deposit of large magnitude has been under development at Digby and good progress is being made in its exploitation.

Metallic Mining Quiet

All metallic metal mining in Nova Scotia has now been suspended, although in former years important quantities of gold and copper were produced. Attempts at reorganizing and consolidating former gold properties on an economical production basis have not met with financial success and the feasibility of the idea has not been tested fully.

The most important metallic mineral development under way is at the old Sterling mine in Richmond Co., which is being developed by the Base Metals Corp. Early last spring, a 300-ton concentrator was started at this property, producing concentrates containing copper, gold, silver, lead and zinc. In September last, operations were suspended to permit of mill enlargement.

Another copper deposit is owned by the Arno Mines at Coxheath, Cape Breton county, and negotiations for testing another deposit in Antigonish county are on foot.

Search For Petroleum

The intensive search for petroleum in the Dominion has extended to Nova Scotia. Although the province is rich in oil shale deposits, not until this year did active drilling for oil commence. In Cumberland Co., near Scotsburn, Imperial Oil started drilling operations on a structure that is recognized as having possibilities.

The discovery of valuable oil shale deposits has culminated in the erection of a distillation plant by Torbanite Products Ltd.

During recent years several experiments have been made in Pictou Co., and there have been recovered from each ton of shale between 40 and 65 tons of crude oil.

Building Materials Present

Clay beds suitable for the manufacture of clay products exist in various parts of the province. Vitrified tiles and sewer pipes are manufactured at New Glasgow, building tile and building bricks and fire clay are all produced in substantial quantities by companies operating in the province.

Gold Mined For Years

Gold mining has been carried on to a greater or lesser extent since 1860. Records of the Mines Department show that nearly 970,000 ounces of gold have been recovered to date.

The gold fields of Nova Scotia occupy that half of the province lying along the Atlantic coast and extending the full length of the peninsula from Canso to Yarmouth, about 275 miles. The width varies from ten miles at the eastern end of 40 miles measured along a line from Tangier to Stewiacke, and 75 miles at the western end, measured along a line from Digby to Lockeport. The field occupies about 10,000 square miles, or half the province. Of the total area covered by the gold fields, about 4,000 square miles are underlain by granite and the remainder by the gold bearing series.

Nova Scotia occupies a peculiar position in gold mining, and, all things considered, compares favorably with many other districts in America. The gold-bearing veins have never been bottomed. The idea that gold ores in Nova Scotia consist of rich pockets of gold, making them spotty and undependable, is based on an incomplete knowledge of facts. It is true that in the early days each operator endeavored to recover as much gold as quickly as possible, without regard to the future. Mining followed Bonanza conditions. Because of these methods, the mining methods of today were never attempted. No regard was given to the extent of underground development or to the treatment of the low-grade ores. Operations at the Richardson mines may be cited as an exception.

Need For Capital

Most of the mining done in the early days was carried on by individuals who had not sufficient capital to do more than merely test the surface of the vein. Even when capital was available, the prevailing notion that the deposits were only superficial, prevented the testing of the veins at any considerable depth, and thus only the upper pay-shoots were worked out.

Still Have Possibilities

Later operations have shown that many mines that were abandoned in the early days contained much rich ore. There are still many abandoned veins, the surface of which were at one time worked with profit, and which would probably yield good returns if reopened and worked with the economical methods of today.

There are many districts in the western part of Nova Scotia that produced good ore for the first 100 feet or so, and in which large capital investments were made. Today they are dead almost beyond the hope of revival. Nova Scotia has a right to look forward to a long future in gold mining.

Non-metallics Plentiful

Limestone occurs widely in the lower carboniferous measures. Marble is found at several points, and for many years was extensively quarried at Marble Mountain, Inverness county, by the Dominion Iron and Steel Co. Since the merger of coal and steel interests the limestone required for flux has been obtained from the Point Edward quarry near Sydney.

A large range of insecticides is manufactured by the Eastern Lime Co. from a deposit at Windsor. Small quarries have been opened at several points in the province to supply ground limestone for the soil. The dolomite used at the Sydney Steel plant is quarried at Georges River, about 25 miles from Sydney.

Produce Many Products

Excellent building materials, such as granite, limestone and slate, exist in large quantities and are worked at a number of points. Clay beds, suitable for the manufacture of clay products, exist in various parts of the province. Vitrified tiles and sewer pipes are made at New Glasgow and all classes of building tiles are manufactured at Avonport. Building brick is made at Pugwash, New Glasgow, Lantz, Elmsdale, Avonport, Bridgetown and Mira. The fire clay used at the Sydney Steel Works is obtained from Shubenacadie, while a plastic fire clay is produced at Middle Musquodoboit.

The foregoing survey of Nova Scotia's mining industry and mineral possibilities is necessarily somewhat sketchy. It does show, however, that the province is not only an important producer, but has sufficient reserves and undeveloped resources to assure the carrying on of major activities for many years to come.

Tourist Traffic Shows Increasing Gains

Tourist traffic in Nova Scotia is showing steady gains. In the season extending from June 1 to September 30, 1930, it has been estimated that 218,082 visitors entered the province, representing an increase of 26,357 over the figures of the previous year.

The gain in tourist business is consistent. In 1928 about 166,000 persons were estimated to have spent a holiday in Nova Scotia, representing an increase over the figures for the preceding year.

Improved hotel accommodation, better roads and aggressive publicity have been major factors in drawing larger numbers of visitors to Nova Scotia.

Gold Production Over 970,000 Ozs.

Nova Scotia Keeps Record Back to 1862

In the last 70 years Nova Scotia has recorded an output of over 970,000 ounces of gold. This remarkable record is not generally appreciated throughout Canada, owing to the greater prominence given to gold operations in Northern Ontario and other sections. It will come as a surprise to many to discover that gold mining has been carried on in Nova Scotia long before it was started in other provinces. Since 1862 the Government has kept an official record of gold ore crushed and the total of gold extracted. The following yearly record shows that gold mining reached a peak in 1901 and declined steadily thereafter until 1921, when an improvement was noted:

Year	Material Crushed Tons	Total Gold Extracted Oz.	Dwt.	Gr.
1862	6,473	7,275	0	0
1863	17,002	14,001	14	17
1864	21,434	20,032	18	13
1865	24,423	25,454	4	8
1866	32,162	25,204	13	2
1867	31,386	27,341	11	11
1868	32,262	20,514	6	10
1869	35,147	17,868	0	19
1870	30,829	19,866	5	5
1871	30,791	19,227	7	4
1872	17,093	13,094	17	6
1873	17,708	11,852	7	19
1874	13,844	9,140	13	9
1875	14,810	11,208	14	19
1876	15,490	12,038	13	18
1877	17,369	16,882	6	1
1878	17,990	12,577	1	22
1879	15,936	13,801	8	10
1880	14,037	13,234	0	4
1881	15,556	10,756	3	2
1882	12,081	14,107	13	20
1883	25,954	15,446	9	23
1884	25,147	16,059	8	17
1885	28,890	22,202	12	20
1886	29,010	23,362	15	13
1887	22,280	21,211	7	18
1888	36,178	22,407	13	10
1889	39,160	26,155	6	13
1890	42,749	24,359	9	9
1891	35,212	23,391	0	0
1892	33,633	21,080	3	18
1893	28,040	14,030	5	7
1894	39,333	14,980	7	13
1895	58,082	22,112	7	21
1896	65,873	25,596	13	6
1897	76,559	26,579	19	21
1898	86,381	31,104	17	0
1899	104,122	27,772	12	3
1900	65,744	30,399	4	14
1901	87,992	30,537	14	0
1902	92,076	28,279	5	13
1903	92,645	25,198	4	18
1904	62,616	14,279	8	14
1905	72,252	16,782	11	5
1906	65,278	14,079	13	23
1907	66,060	15,007	5	8
1908	59,797	11,991	0	0
1909	59,058	12,597	12	13
1910	49,558	10,675	13	16
1911	18,319	3,389	12	4
1912	15,368	4,948	19	20
1913	7,324	2,364	12	22
1914	13,156	3,158	4	10
1915	25,204	7,215	1	20
1916	18,354	4,963	7	13
1917	5,916	2,295	16	5
1918	1,630	1,279	3	11
1919	1,362	935	13	3
1920	858	744	10	15
1921	1,650	378	17	6
1922	4,837	865	6	13
1923	2,273	535	11	13
1924	1,779	750	8	3
1925	7,749½	1,526	3	8
1926	7,224½	1,350	10	7
1927	15,847	2,306	9	12
1928	14,329	1,439	12	10
1929	......	2,687	..	..
Total	2,199,179	970,368	0	22

THE
ULTIMATE
IN
SERVICE

EVERY city has its hotel. In Halifax it is the Queen. Near the stores, wholesale and retail, the banks, brokers and theatres, the Queen Hotel is admirably situated for the man of business as well as the casual visitor.

Here one finds real Nova Scotian hospitality where leading Provincialists make their headquarters. An obliging, experienced staff who seek to serve and please the travelling public, and welcome new friends.

Good music, excellent food, the table of the Queen is highly praised. Comfortable, pleasant rooms and surroundings.

When values are considered, the Queen is preferred.

The QUEEN HOTEL
HALIFAX, N.S.

A. G. Sampson,
Managing Director.

To Explain Commission's Report

G. A. Boggs, president of the Nova Scotia Fruit Growers' Association, has announced the names of sixteen members of the association who will comprise the committee to promote discussion and implementation of the report of the Royal Commission on the Apple Industry which was recently presented to the Government. The committee is to form an organization to familiarize every grower with the report.

Berwick Fruit Exhibited

Berwick fruit is again being represented at the Imperial Fruit Show at Leicester, England, beginning October 24, a choice exhibit having been forwarded by F. A. Parker & Son.

The Popular
ROYAL
ACADIA
SUGAR

Packed
Bags
Barrels
Cartons

ROYAL
ACADIA
SUGAR

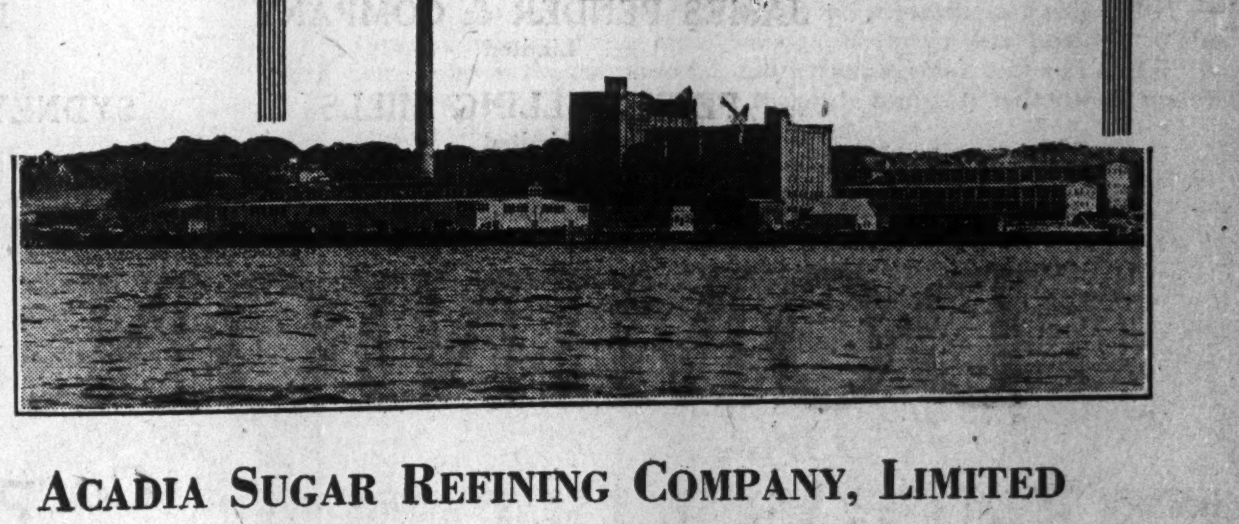
Every Grain Pure Cane

CONSISTENT QUALITY CREATES AND HOLDS TRADE APPROVAL AND CONFIDENCE.

SUCH CONFIDENCE HAS ESTABLISHED A SOLID DOMESTIC AND EXPORT MARKET FOR THIS WELL KNOWN MARITIME PRODUCT. THIS COUPLED WITH PROMPT, ATTENTIVE SERVICE — AN ENERGETIC, EFFICIENT SELLING ORGANIZATION KEEPS

Royal Acadia Sugar
IN THE FORE FRONT

Established 1881

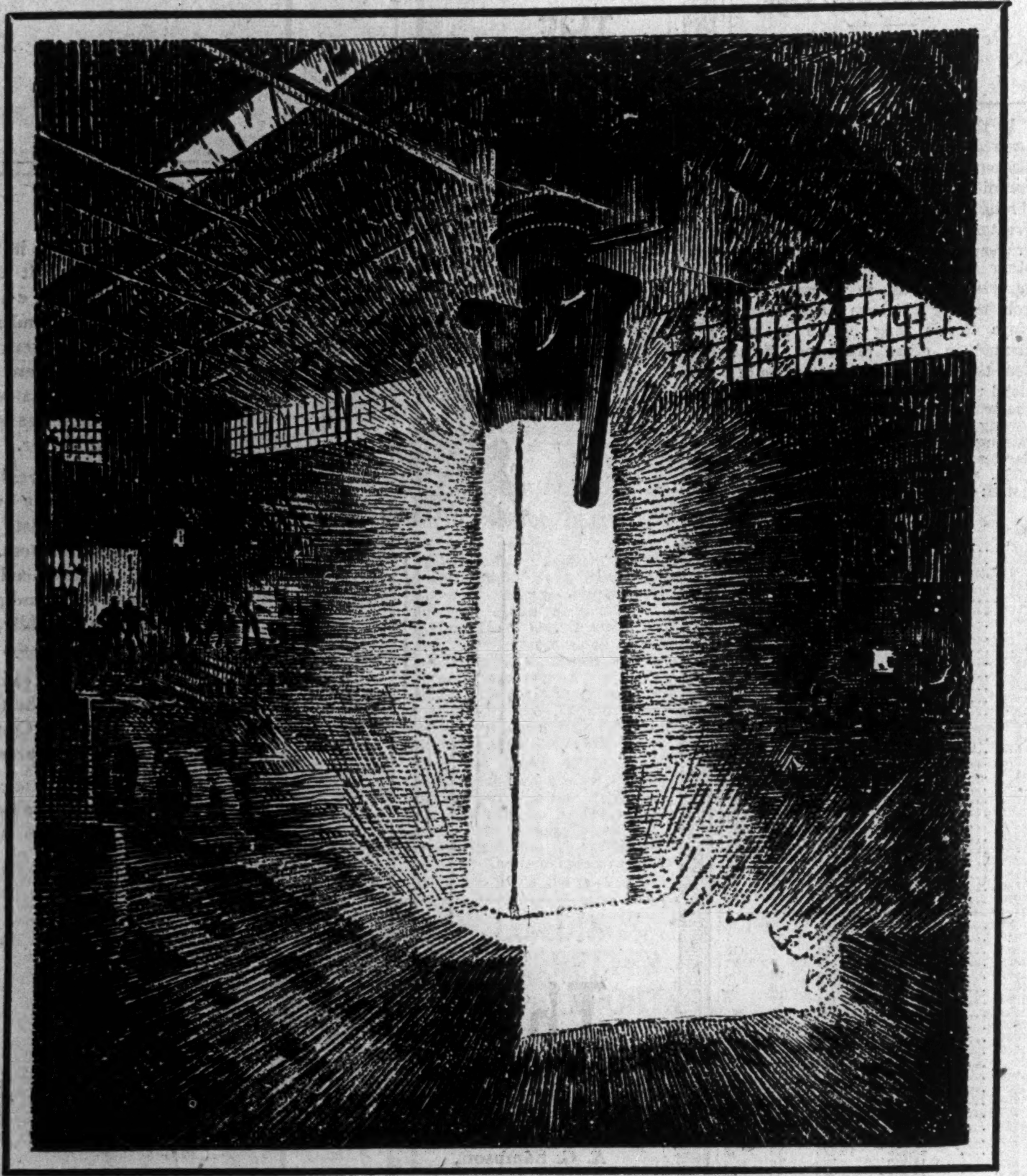


ACADIA SUGAR REFINING COMPANY, LIMITED
HALIFAX NOVA SCOTIA

Refinery, Capacity
One Million
Pounds

Canadian National
Trackage and
Company's Own Dock

Plant
Property
Covers 170 Acres



3
Pillars of Progress . . . .

Ore · Coal · Steel

A Contribution of the Maritimes to the Prosperity of the Dominion

Pig Iron · Shipbuilding · Railway Cars
Rails and Fastenings · Fencing Wire
and Miscellaneous Steel Products

From Ore to Finished Product

DOMINION IRON & STEEL
Company Limited

NOVA SCOTIA STEEL & COAL
Company Limited

JAMES PENDER & COMPANY
Limited

PECK ROLLING MILLS
Limited

EASTERN CAR
Company Limited

HALIFAX SHIPYARDS
Limited

DOMINION SHIPPING
Company Limited

SYDNEY & LOUISBURG RAILWAY
Company Limited

DOMINION COAL
Company Limited

ACADIA COAL
Company Limited

SECURITY FENCE
Company Limited

ST. LAWRENCE WIRE
Company Limited

DOMINION STEEL & COAL
Corporation Limited
Head Office: **Canada Cement Building, Montreal**

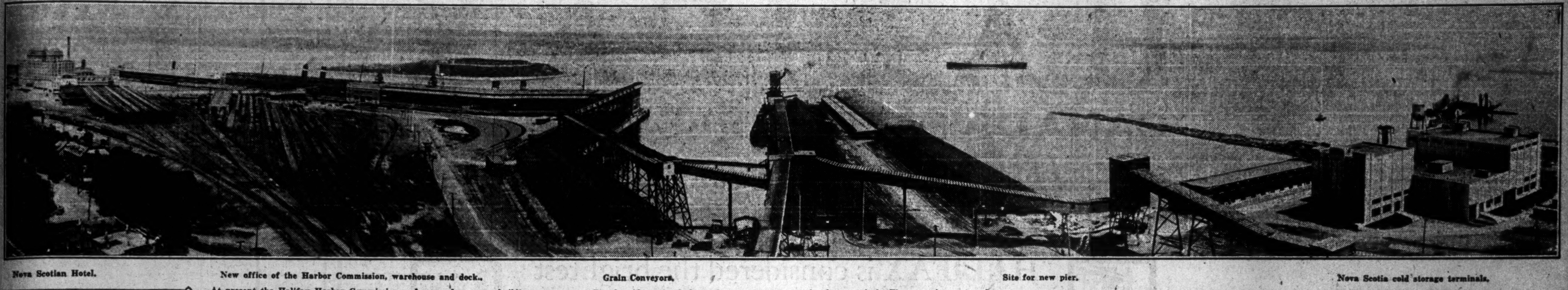
FOURTH SECTION

THE FINANCIAL POST

FOURTH SECTION

Vol. XXIV | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, NOVEMBER 27, 1930 | 10c a Copy; $5.00 a Year | No. 48

Programme of Port Development Calls for an Outlay of $15,000,000


Nova Scotian Hotel.
New office of the Harbor Commission, warehouse and dock..
Grain Conveyors.
Site for new pier.
Nova Scotia cold storage terminals.

At present the Halifax Harbor Commissioners have under way a building programme calling for an expenditure of $4,000,000. This forms part of a general scheme of development involving an outlay of $15,000,000. During the last two or three years, the port facilities have been virtually rebuilt. This panorama shows the site upon which the work has been carried out. The new dock shown on the left, is one of the largest and finest in Canada. Above the sheds can be seen three ocean-going boats at dock. The conveying system has been connected up with the new elevator, which doubles capacity of grain storage. To the right top can be seen machinery engaged in preparing a new dock. Halifax has one of the finest ports on the Atlantic seaboard. It is large enough to dock any fleet in the world, while it is not necessary to use tugs in entering or leaving the port.

BRETON ISLAND UTILITY CONTROL NEARS SOLUTION

Company's Position Not Helped by Recent Moves

Dispute as to who will control the public utility business in Sydney and vicinity is approaching a climax.

Toward the end of 1929 the first concerted move was made by Sydney to break away from the Cape Breton Electric Co. on the expiration of the franchise this year. The utility company was not adverse to selling its power plant and distribution system in Sydney to the municipality, but this did not meet with the approval of the council. Instead the municipality applied to the provincial legislature for special legislation in order to permit it to carry out its own plans.

Secure Special Legislation

Under a bill passed by the legislature at the last session, the city is enabled to sell and distribute light and power within its environs without purchasing the existing plant of the company, the plan being to take over distribution lines and purchase power where it is desired. The company, which is controlled by Stone and Webster, of Boston, opposed the legislation.

It is the city's plan to take over the distribution system from Cape Breton Electric and secure its power supply from the Glace Bay plant of the Dominion Steel and Coal Corp.

Cut Electric Rates

At the beginning of May last the electric light and power rates of Cape Breton Electric were cut from 12 to 6½ cents per k.w.h. This action did not meet with a favorable reception, city council claiming that rates were still too high.

The company prepared itself, meanwhile, in anticipation of a rate war with the city, in the event that the body went into the utility business. It decided to liquidate all the property of the company not producing dividends. The tram line between North Sydney and Sydney Mines was discontinued and the track taken up. It is also the intention to discontinue the Sydney—North Sydney ferry boat service, as soon as a buyer can be found for ships on this route.

Pass Bond Interest

The company took advantage of the 60-day grace period to allow the interest on the first mortgage bonds to accrue. It is reported that this interest has since been met. Interest on the bonds of the Sydney and Glace Bay Railway, guaranteed by Cape Breton Electric, however, was allowed to accrue.

Bondholders of the Cape Breton Electric Co. have organized a protective committee in order to protect their interests.

Royal Securities in Picture

Early in August it was reported that Royal Securities Corp., Montreal, was interested in taking over the Sydney utility business. Already this company has a substantial interest in Nova Scotia Light and Power, Avon River Power and other provincial utilities.

Royal Securities asked the city to allow tax exemption and given this concession, it would consider taking over the light and power properties of Cape Breton Electric. It is understood that Dominion Steel and Coal Corp. was approached in regard to supplying power from its Glace Bay plant and has consented to do so on favorable rates.

Recent information is to the effect that the city views the Royal Securities' proposal with favor. As yet, however, no contract has been made. Meanwhile the position of the bondholders of Cape Breton Electric continues precarious and may become even more so, if the municipality decides to enter into the utility business.

Catch of Scotian Fisheries Ranks Second in Canada Total $11,455,491 in '29

Prices This Year Have Shown Decline to Date

FAVORED IN SITE

Nova Scotia Fishermen Are Favored by Proximity to Best Fishing Grounds in World

While the extent of the catch of Nova Scotia fishermen during the current year has been satisfactory, values have shown a decline this year as compared with 1929. During October, for instance, the total catch amounted to 8,803,300 pounds, having a landed value of $200,980. These figures compare with 13,188,000 pounds with a value of $292,862 in October, 1929.

The fishing industry plays an important part in the life of the province. Nova Scotia ports hold a premier location as regards situation and proximity to the Grand Banks, which constitute the most famous fishing grounds in the world.

Marketed Value Large

What part Nova Scotia fisheries play is best judged from a glance at the figures covering production in 1929. In that year Nova Scotia's catch was valued at $11,455,491. These figures represent the value of the product as marketed, whether sold for consumption, fresh or canned, cured or otherwise prepared.

Though this figure is marginally lower than the value of the 1928 catch, last year's production was above the average in value. There is a wide diversification in Nova Scotia's fish catch, but the cod fishery has always been of first importance.

Cod Catch is Leader

Value of this product alone in 1929 amounted to $3,504,583, a decrease from the preceding year of $893,436. This product is generally marketed in a dried form, and the quantity so prepared last year was 250,890 cwt.

Following cod, the lobster fishery is second in importance in Nova Scotia. In 1929, this division did not fall far behind the cod fishery. Lobsters had a total marketed value of $3,210,504, compared with $3,048,255 in the preceding year.

Lobsters Rank Second

During the current year the lobster catch has shown gains. In August, the catch was 178,800 pounds, having a landed value of $11,930. This represented a gain of about 52,000 pounds, and of about $1,800 in landed value over August, 1929.

Haddock is third among the principal kinds of fish, in order of value, followed by herring, halibut, mackerel, hake, salmon, smelts, scallops and swordfish. The total quantity of fish of all kinds caught in 1929 was 2,749,064 cwt., compared with 2,695,895 cwt. in 1928.

Operations in October, the latest figures available, were not entirely satisfactory. While mackerel and oyster fisheries showed a decided increase over October, 1929, there was a great scarcity along all parts of the Nova Scotia coast of such fish as cod, haddock and herring. This was due, it is stated, to extreme prevalence of dogfish in all waters of the province.

Values Down This Year

The cod catch showed a decrease in landed value of $42,000, while the decrease in the haddock catch amounted to $41,136. Other decreases in value in different kinds of fish were recorded.

August is the month of major swordfish production in Nova Scotia. This year it yielded a catch of slightly more than 1,000,000 pounds, as compared with 439,600 pounds in August, 1929. The value in 1930 was $114,820 as against $38,783 last year.

Swordfish are taken off Nova Scotia in mid-summer and the earlier autumn months. They are not caught in any other Canadian waters, and the chief market is in the United States.

Comparison in Values

The marketed value of the Nova Scotia catch of all fish for the past six years has been as follows:

	$
1924	8,777,251
1925	10,213,779
1926	12,505,922
1927	10,783,631
1928	11,681,995
1929	11,455,491

Nova Scotia is second only to British Columbia in the value of its marketed catch. All along the shores of the province may be found numerous thriving fishing communities which are dependent for their livelihood on the harvest which their residents draw from the sea. The importance of fishing as a factor in the industrial life of the province should not be minimized.

Near Best Fishing Grounds

The location of the province places it within easy reach of the most extensive and prolific fishing grounds in the world. While the smaller and well-known fishing banks are within a few hours sail of the fishing ports of Lockeport and Liverpool, the larger banks, such as Georges, Sable, Middle and Banquero, are readily accessible to the principal fishing ports of the province.

Accordingly, Nova Scotia ports feel the benefit of this situation, since the Grand Banks are but 607 miles from Lunenburg and 460 miles from Canso. They are frequented by the Lunenburg fishing fleets as well as vessels of various other nations, but Nova Scotia has the advantage of location.

Advantage of Location

Banquero Bank is but 224 miles from Lunenburg, while from Canso it is but 113 miles. The advantage of geographical location can be readily realized when it is seen that Banquero is 550 miles from Boston and Gloucester, while the Grand Banks are 928 miles from those ports.

Two Natural Divisions

The deep-sea fisheries have two natural divisions, the first being the Grand Bank fishery, which is prosecuted largely by the Lunenburg fleets for the salt fish trade, and the other largely for fresh fish trade by vessels operating from such ports as Yarmouth, Liverpool, Lockeport, Halifax, Canso and North Sydney, as well as a number of smaller communities.

The number of men engaged in the fishing industry in Nova Scotia in 1929 was 15,747. Substantial sums have been invested in capital equipment and value of vessels, nets, traps, and other equipment employed in primary operations of catching and landing the fish in 1929, was $7,446,835.

Fish Canning Industry

The capital investment of the fish canning and curing industry last year had a total value of $3,775,080. The number of lobster canneries was 114 with an average capital investment of $6,187. The fish curing establishments generally are of greater size than the lobster canneries. They numbered 86 last year, with an average capital of $29,537.

A factor in the Nova Scotia fishing industry is the experimental station which is situated at Halifax. A permanent staff of scientists is employed by the Government for the examination of practical problems of the fishing industry, and in experiments for the development of improved methods of handling and processing fish.

Processing Fish Improves

A major development in the processing of fish in recent years has been the invention of a rapid freezing process which marks a forward step in the preservation of fish.

By the new method, fish are now frozen immediately they are landed and kept in perfect preservation almost indefinitely. Moreover, rapid freezing does not harm the cells with the result that fish are distributed and consumed in their original state. Through this process it is expected that a wider distribution will be built up for the products of the fishing industry, and already several plants have been equipped with this efficient process.

Extension of By-products

With the development of the fishing industry has come a greater expansion in the use of its by-products. These include cattle food, poultry food, and oils of various kinds, which all tend to increase the total revenue derived from the catch. Even the skin of some fish is now being used in different ways, while there is a growing tendency toward more efficient and profitable methods of fishing.

Comparative marketed value of the three leaders in Nova Scotia's fishing catch over a four year period is interesting. Following are comparative figures on cod, lobster and haddock:

Cod	
1926	$4,652,858
1927	3,455,772
1928	4,398,019
1929	3,504,583
Lobsters	
1926	$3,386,416
1927	3,255,627
1928	3,048,255
1929	3,210,504
Haddock	
1926	$547,548
1927	482,378
1928	368,221
1929	525,963

Deep-Sea Fishing

Deep-sea fishing naturally constitutes a most important factor in the industry. Cod, haddock, hake, and halibut are the varieties of fish sought after by the deep-sea fishermen.

Nova Scotia has the only fleet of steam trawlers operating from Canada. The trawlers are about 140 feet in length, and are equipped with heavy trawls, which are dragged along the bottom of the sea, gathering fish in great bags.

Off-shore Fishery

The second division of the deep-sea fishery is really an extension of the off-shore fisheries, as vessels operate on the near-by banks and grounds within one or two days' sail from port. As these vessels operate primarily for the fresh fish trade, the trip must be brief, as it is essential that catches be landed as quickly as possible.

Then there is the in-shore fisherman who carries on his work by means of smaller vessels and open motor boats. These boats go out to the fishing grounds early in the morning, returning to port the same day with their catches. The fish taken are cod, haddock, pollock, as well as herring and mackerel.

Cod, haddock and pollock are taken by the usual hand-line, or trawl line methods. Herring and mackerel are captured by the use of gill nets, seines and trap nests. These fish move in schools and must be quickly captured as the schools are moving constantly along the coast at certain periods of the year.

In-shore Catch Diversified

In addition to the above, the in-shore fisheries include salmon, smelts, swordfish, tuna and many other varieties, also shellfish, such as clams, scallops and lobsters. The latter is second in importance and total value only to the cod fishery and first in importance in the more prosperous lobster fishing districts. In every village and hamlet along the shore of Nova Scotia, lobster fishing is undertaken. The lobster is found all along the coast, and while it naturally prefers rocky bottoms it is found in large quantities in other places.

Over-fishing in lobsters has caused some decline in the catch in late years, though the 1929 catch exceeded that of the previous year by some $200,000 at $3,210,504.

The coast is divided into districts and seasons, set by Government direction. The open season for various districts is approximately two months in most sections.

Northumberland Straits, where the bottom is composed almost entirely of mud, is a good productive area. The large producing counties for the live lobster trade are Shelbourne, Yarmouth and Digby in western Nova Scotia. Most of the catch finds its way in a live state to the American markets. The bulk of lobsters, taken in eastern Nova Scotia, however, are canned, the greater part of the catch being shipped to European markets.

Scallop Industry Grows

The scallop industry has shown a steady and healthy growth in the past decade. Though scallops had been taken in the Chester Mahone Bay district for some years, it was not until 1912 that the fishery was of sufficient importance to have a place in the official Government statistical report.

In 1912, about 500 gallons shelled were reported; in 1929 this had grown to 16,856 barrels. This was lower than the catch of the previous year, which amounted to 24,533 barrels.

Bay of Fundy District

The Bay of Fundy district is responsible for the increase which has taken place in the catch in the past fifteen years. It was not until 1920 that attention was given to these waters in Digby and Annapolis Counties.

Smelts and Salmon Plentiful

Smelts in Nova Scotia are plentiful, and are caught during the fall and winter months, by the use of gill nets in the estuaries of the numerous rivers and streams throughout the province. The catch last year was 7,184 cwt., having a marketed value of $119,659. The salmon catch in 1929 showed an increase over the previous year amounting to $155,651 as compared with $138,681 in 1928.

Scotian Fishermen Seek Better Prices

There has been some recent unsettlement in the Nova Scotia fishing industry, since fishermen contend that present prices, ranging from 1½ cents a pound for steak cod to 2 cents for haddock, are inadequate. They ask increases of from ½ to one cent. Buyers, on the other hand, maintain that the freight differential on fish shipped from Halifax and Cape Breton Atlantic points preclude any increase.

Representatives of the Fishermen's Union have discussed the matter but to date no definite action has resulted, other than the decision to hold another meeting which members of the Board of Trade and delegates representing the fish buyers will be asked to attend.

Revenue of Nova Scotia Sets New Record in 1929

Revenue from all sources in Nova Scotia last year reached the high figure of $203,860,000. This compares with $193,311,000 and $181,992,400 in 1928 and 1927, respectively. These figures are only estimates, and will be revised upon issuance of the Dominion government's report. In the survey of the estimated figures, it is interesting to note that increases were recorded by fisheries, mining, manufacturing, building materials, farm products, game, fish, etc., and tourist travel. Forest products was the only division to show no change.

	1927	1928	1929
Fisheries	$ 9,500,000	$ 11,500,000	$ 12,000,000
Minerals and Mineral	47,304,400	52,000,000	54,700,000
Manufactures, etc.	58,000,000	59,000,000	63,800,000
Building Materials	2,484,000	3,420,000	3,860,000
Farm Products and Live Stock	38,000,000	39,500,000	40,100,000
Forest Products	15,000,000	15,000,000	15,000,000
Game, Fish, etc.	360,000	391,000	400,000
Tourist Travel	11,344,000	12,500,000	14,000,000
	$181,992,400	$193,311,000	$203,860,000

Mineral Output of N. S. Totals $30,000,000 Yearly

In diversity and value of mineral products, Nova Scotia ranks among the important producing areas of the Dominion. During the past year the province recorded a mineral production valued at $30,904,453. This compares with $29,757,010 in the preceding year and with $17,667,237 in 1925. By far the most important mineral product produced is coal, of which 7,056,133 tons, valued at $28,071,956 were hoisted to the surface last year. In this division, Nova Scotia leads all other provinces. Next in importance was gypsum with an output valued at $1,152,160. Clay products are third in importance in point of value and production, followed by stone. Details of various mineral products produced during the last two years follow:

Products	1929		1928	
Metallic	Quantity	Value	Quantity	Value
Gold, fine oz.	2,687	$ 55,545	1,290	$ 26,662
Silver, fine, oz.	132	70	77	45
Non-Metallic:				
Barytes, tons	105	2,341	127	2,847
Coal, tons	7,056,133	28,071,956	6,741,630	26,379,572
Grindstones, tons	6	110	......	......
Gypsum, tons	948,895	1,152,160	971,736	1,764,262
Salt, tons	27,819	157,662	19,604	118,342
Other products	......	129,675	9,282	102,976
Structural Materials and Clay Products:				
Clay products	......	653,157	......	462,917
Lime, tons	42,001	154,187	42,133	168,532
Sand and gravel, tons	332,599	151,368	816,021	524,524
Stone, tons	264,706	376,222	108,452	206,272
Total		30,904,458		29,757,010

BUS AND TRUCK ROUTES GROW IN NOVA SCOTIA

Government Issues Licenses Permitting Operation of 14 Lines

With the further development of good roads and the widespread use of motor vehicles, bus and truck operations in Nova Scotia are steadily expanding.

At the end of last year the government had issued licenses in respect of 14 commercial public vehicle operations, 12 being bus and the balance truck operations.

Under the law, new permits to operate are not issued each year, but a certificate of public convenience and necessity, permitting operation, remains valid from the time it is given the operator until it is cancelled.

Cover Wide Area

Bus operating certificates in effect at the beginning of this year were: Dartmouth to Imperial; Halifax to Bedford and Sackville; Truro to Parrsboro; Truro to Welland; Wolfville to Kentville; Amherst to Advocate Harbor; Canso to Guysboro; Halifax to Moser River; Sydney to New Waterford; Glace Bay to New Waterford; Liverpool to Milton and Liverpool to Brooklyn; Sydney to Little Bras D'Or.

Truck operation certificates in effect at the same time covered two routes, one between Sydney and New Waterford, and the other for a route between Sydney and Little Bras D'Or.

Middleton Seeks New Plants

The Middleton Board of Trade has undertaken a progressive campaign to secure the establishment of new industries in the town and vicinity.

Apple Movement Shows Gains

The movement of apples from the Annapolis Valley to Halifax, for export, from the beginning of the season to October 22 amounted to 286,447 barrels, 20,578 half barrels and 2,033 boxes, as compared with 221,564 barrels, 11,438 half barrels and 225 boxes for the similar period of last year.

McDONALD
Construction Company
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Halifax, Nova Scotia

Engineers & Contractors

Our varied experience for years and our extensive plant place us in a position to handle any job, no matter how large, in

DAMS, WHARVES, FACTORIES
and ALL TYPES OF BUILDINGS

IN STEP WITH THE ADVANCE OF
NOVA SCOTIA'S PROSPERITY

Today, Nova Scotia is said to be the brightest spot in the Dominion.

In the output of her mills and factories, in the value of her farm products, her fisheries and mines, in her export trade, in her building operations, Nova Scotia is making a consistent and healthy advance in every branch of human endeavour.

Maritime Telephones are playing their part by meeting the needs of business and providing adequate service for the expansion brought by prosperity.

The Maritime Telegraph & Telephone Company are constantly improving their service and extending their sphere of usefulness. Early in the year, this company inaugurated direct lines from Halifax to Montreal and from Halifax to Boston to save time and increase efficiency. Business telephones in Halifax have been converted from the manual to the dial system.

Due to the ever-increasing popularity of the telephone with regards to both local and long distance usage, the Maritime Telegraph & Telephone Company Limited has been able to keep pace with the great developments of modern scientific research and experiment, and include them in their service; thus not only have their subscribers been provided with a service very much quicker and more efficient than before, but at rates in many instances considerably lower.

Not only are the immediate needs of subscribers being filled — future needs are being anticipated; and the present position of the telephone in the commercial, industrial, agricultural and social life of Nova Scotia is an assurance that this company will always march in step with Nova Scotia's development.

MARITIME
TELEGRAPH
AND
TELEPHONE
COMPANY, LIMITED

HALIFAX

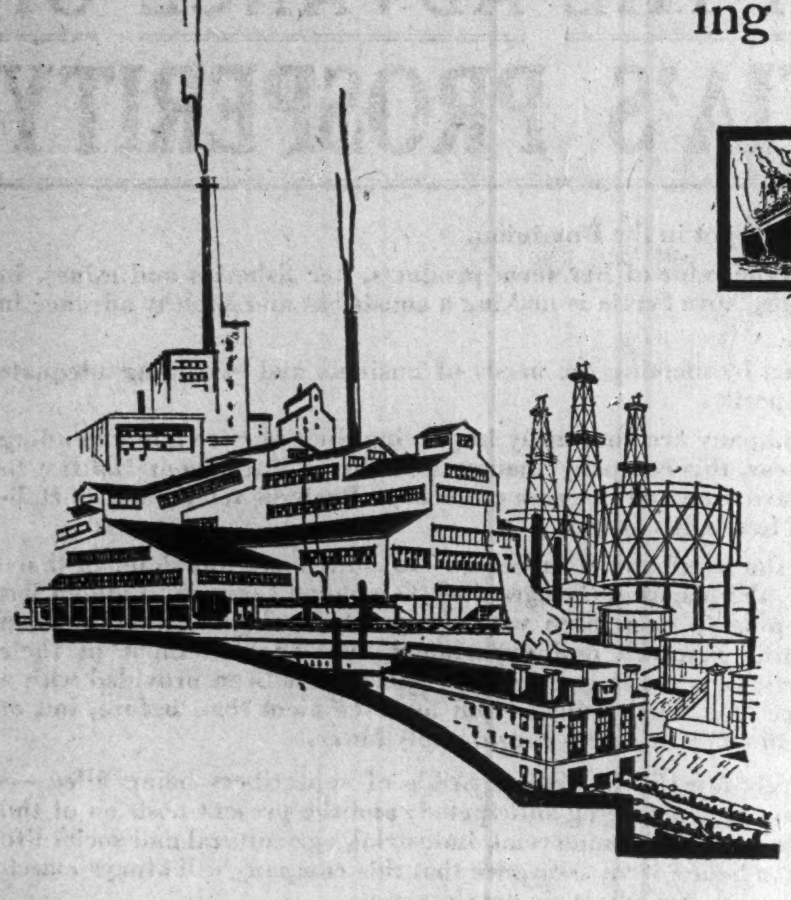
CANADA'S PROGRESSIVE CITY

Millions of Dollars being Spent on Facilities for Commercial Purposes.

HALIFAX is considered the brightest spot in Canada today, and is taking an important place in the Dominion commensurate with the strategic position which this city occupies. Witness the expansion of the terminal facilities under construction by the Harbour Commission, which will ultimately represent an outlay of $35,000,000. The completion of two of the finest Hotels in Eastern Canada—the Lord Nelson Hotel by local enterprise, and the Nova Scotian Hotel and Station by the Canadian National Railways: Increased Grain Elevator facilities—new Cold Storage Plant—Commercial and Educational construction involving several million dollars.

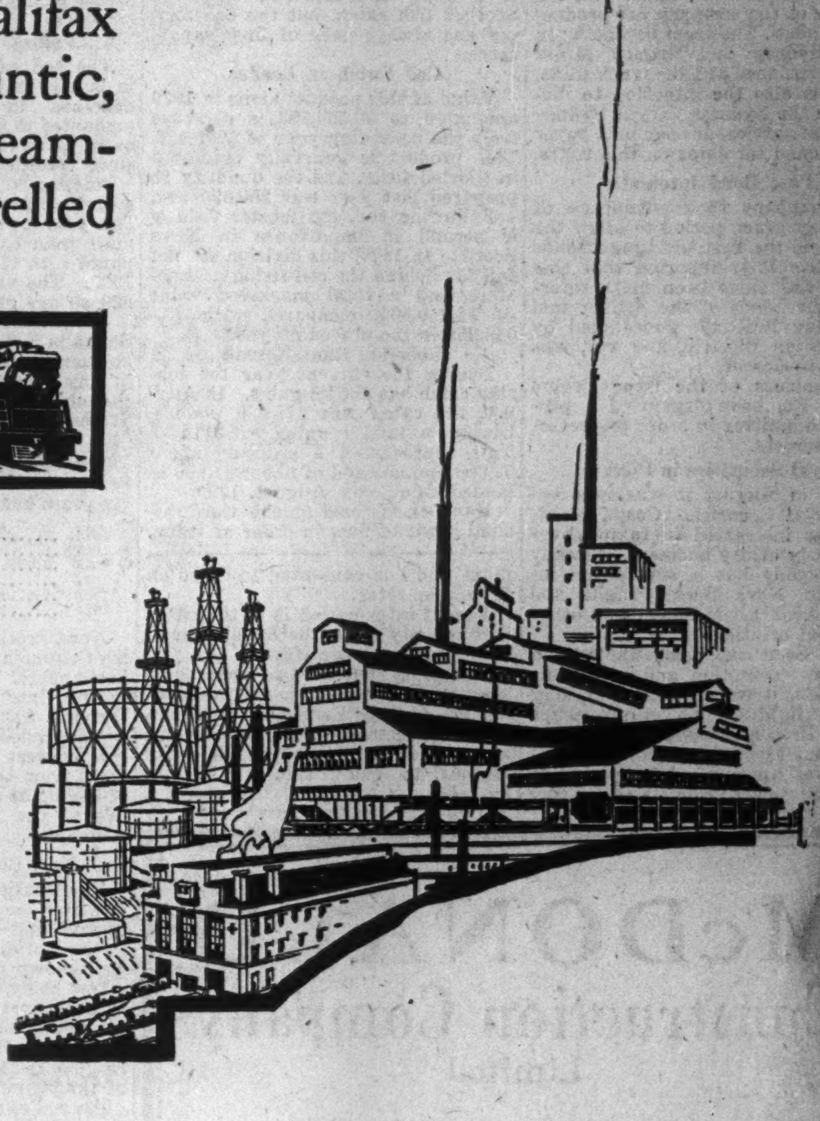
HALIFAX is a city of 62,000—the Capital of a Province enjoying a greater diversity of natural resources than any other part of the continent; supporting large manufacturing establishments which have achieved world wide distribution for their products.

THIRTY-SIX STEAMSHIP LINES connect Halifax with the great ports of the world; far out in the Atlantic, with her commercial section, just twenty minutes steaming time from the ocean, Halifax makes an unexcelled distributing port for the products of Nova Scotia and the whole Dominion. Halifax enjoys the same export and import rates as all North Atlantic Ports.



HALIFAX INVITES NEW INDUSTRIES

and offers attractive sites and locations with every assurance of an enthusiastic and lasting co-operation from the entire citizenry. With its many advantages so well suited to successful manufacturing and exporting, locating in Halifax will result in distinct advantages to your business.



For complete information write to—

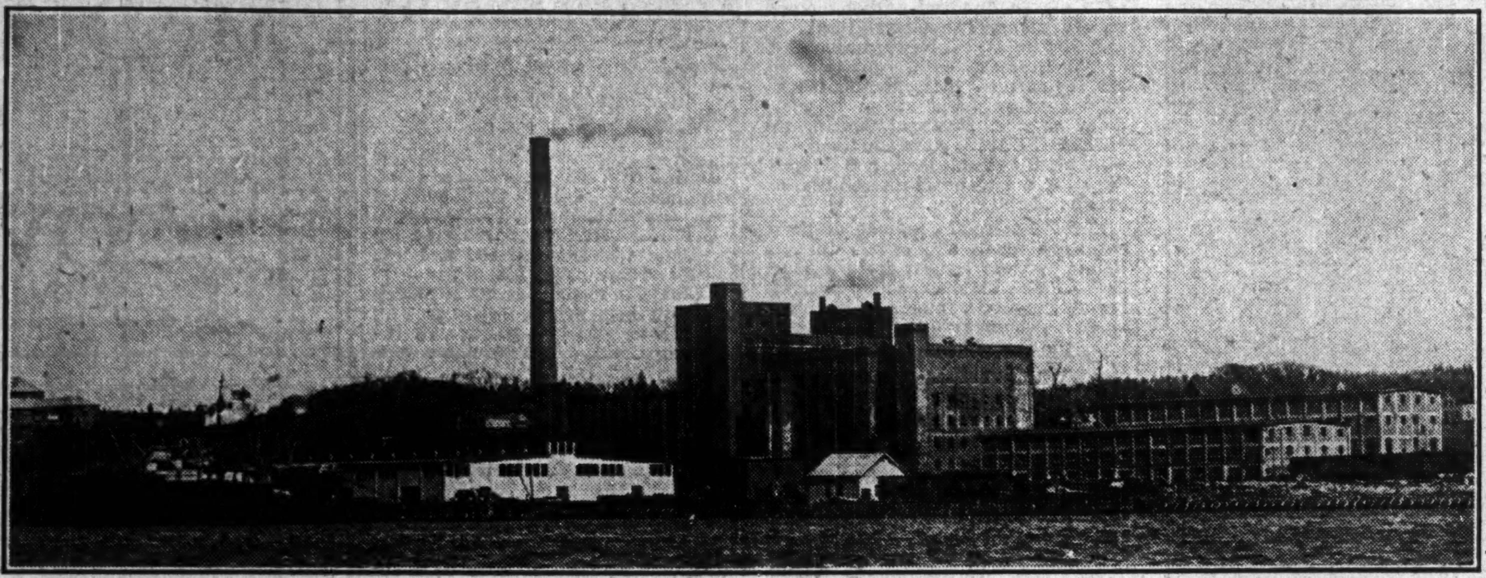
CHAIRMAN OF THE INDUSTRIAL COMMITTEE

CITY OF HALIFAX

ACADIA SUGAR MAKES PROGRESS; CASH IS STRONGER

Moves Ahead Financially Despite Adverse Sugar Trend

Acadia Sugar Refining Steadily Consolidating Position



Following the break in the sugar market in 1920, Acadia Sugar Refining had several lean years. Though conditions in the export and domestic market have not been altogether favorable in late years, the company is slowly rebuilding its position and its finances are now said to be in better shape than for some time past.

Gradual but marked improvement in its financial position has been recorded by Acadia Sugar Refining Co. over the past twelve months. It is understood that earnings have improved to such an extent that the management may consider some action in regard to the preferred dividend, which has been unpaid for several years. A significant fact in this connection is that no dividend may be paid on the preferred stock unless net working capital is at a minimum of $1,000,000. It is understood that working capital is above that figure.

Operations of Acadia Sugar are carried on at one of the largest and most up-to-date sugar refineries in the Dominion, situated on the Halifax Harbor front. Being on tidewater, the company is able to obtain its raw materials and ship the finished products by low cost water transportation.

Export Market Negligible

In the past, the company has been able to take advantage of foreign markets, but of recent years these have been cut off, due in part to world overproduction of sugar, which in turn has resulted in a narrow margin of profit for the refineries throughout the world.

Acadia Sugar, among others in the same industry in Canada, is handicapped as sugar is dumped into the Dominion by Cuban sugar refineries at prices which permit a very small profit. While in volume the imports are not very large, yet sufficient comes in to set the price for the Canadian refineries. The attention of the Federal Government was called to this situation and at the last session a new anti-dumping clause was added to the Tariff Act, which, it is thought, will have a beneficial influence upon the Canadian sugar refining industry.

The prevailing situation in the export market is still responsible for the comparatively low earnings of the sugar refineries. So long as the present situation exists in the world sugar markets, there is little hope for any marked improvement in the operations of Acadia Sugar Refining Co., though this does not necessarily imply that the company is not making progress, for such is the case.

The plant operated by the company consists of a modern fireproof sugar refinery of brick, steel and concrete construction, completely equipped for the manufacture of the highest grades of refined sugar, with a daily capacity of 1,250,000 pounds. The company generates its own electric power. In addition a cooperage plant is operated at Moncton, N.B. This cooperage plant, operated in conjunction with a modern box and barrel factory at Woodside, ensures an adequate supply of barrels and containers for the shipment of the parent company's product.

Suffered Setback in 1920

The financial history of Acadia Sugar, in which there is a large investment interest, has not been particularly favorable during recent years. Present prospects are brighter, in view of the possibilities of a dividend being declared on the preferred stock.

During the war and shortly after the war the company was able to report very large earnings. With the break in the sugar market in 1920, due to over-production, Acadia Sugar Refining, as well as the other companies in Canada, suffered heavy losses.

Carry Out Recapitalization

Consequently four years ago the company was recapitalized. The old company was voluntarily liquidated, new stock issued, preferred being of the par value of $5 instead of $100 and the capitalization of $1,500,000 preferred and $1,500,000 common in place of $3,000,000 preferred and $2,000,000 of common.

Preferred shareholders were given 75 per cent of their holdings in a new preferred stock and common shareholders 25 per cent of their holdings in new common stock. The preferred stockholders accepted this distribution settlement of all arrears on dividends.

In addition the company has outstanding $2,233,900 of 6 per cent first mortage bonds and $711,363 of 7 per cent general mortgage bonds. Both of these issues are being steadily reduced through the operation of a sinking fund.

Merged Several Producers

Acadia Sugar was originally incorporated in Glasgow under charter of Great Britain, as a consolidation of the Nova Scotia Sugar Refinery, Halifax, the Halifax Sugar Refinery, Dartmouth, and the Moncton Sugar Refinery. It was this company that was entirely reorganized in 1926, when the capital stock changes noted above were brought into effect.

ACTION IS TAKEN BY BONDHOLDERS OF C. B. ELECTRIC

Form Protective Committee as Result of Sydney's Proposals

From Our Own Correspondent

MONTREAL. — Bondholders of Cape Breton Electric Co. have organized a protective committee to anticipate difficulties which may arise if the city of Sydney supersedes the Cape Breton Electric Co. through institution of a civic-owned distribution system.

Under a bill passed by the Legislature at the last session the city was authorized to sell and distribute light and power within its environs without purchasing the existing plant of Cape Breton Electric Co. It was planned to take over distribution lines and purchase power elsewhere.

Cape Breton Electric which is controlled by Stone and Webster of Boston, opposed the legislation. At resultant hearings it transpired that the first mortgage bonds, falling due on January 1, 1932, were not adequately provided for by the sinking fund.

The company contended that improvements to its plant increasing its value would be impaired by the proposed action of the city. The city on the other hand, maintained that rates charged by the company were exorbitant. Following this the rates were cut practically in half by order of the Board of Public Utilities.

At the end of 1929, there were outstanding $1,096,000 of five per cent first mortgage bonds of Cape Breton Electric Co., due to 1932. There is also outstanding $113,000 of 5 per cent first mortgage bonds of a subsidiary, Sydney and Glace Bay Railway Co. This issue is also due in 1932.

Recent reports have been to the effect that the city of Sydney will sign an agreement with public utilities interests associated with Royal Securities Corp. of Montreal to supply the city with light and power.

Hudson's Bay Co. Land Sales Show Big Decline From 1929

Farm land sales of Hudson's Bay Co. during the quarter ended October 31 amounted to but 10,123 acres on which £22,000 was realized as compared with 69,100 acres from which £135,500 was obtained during the corresponding quarter of 1929. For the nine months ended October 31, the acreage sold was 47,489 as compared with 203,235 in 1929 and revenue from sales was £98,000 as against £427,000. The reduction for the current year is 76.6 per cent in acreage and 77 per cent in value.

During the last quarter town lots were sold for £2,800 against £9,200 in the corresponding period of 1929 while the aggregate sales of town lots for the nine months' period was £10,100 as against £20,800 in 1929. Total gross receipts for the nine months' period show a decline of 48.7 per cent from 1929.

MERSEY PAPER CO. PLACES ACTIVITIES FULL TIME BASIS

Water Shortage Remedied —Herald-Tribune Contract Increased

From Our Own Correspondent

MONTREAL.—Shortage of water, which affected operations of the Mersey Paper Co. for some months past, has been largely overcome by recent rains. It is claimed, that the past season was the driest in 60 years and plant activities had to be reduced to about 70 per cent of capacity due to lack of water on the Mersey River.

This situation has been righted and it is understood that the mill is on a full time basis once more. Previous to the difficulties encountered with the water supply Mersey Paper Co. had been operating at capacity and better.

Some Contracts Increased

Output of the company is largely contracted for by New York publishers and it was reported recently that the New York Herald-Tribune had increased its consumption of newsprint purchased from Mersey Paper.

No figures on current earnings have been published during the current year, but as far as can be learned, profits have been satisfactory. The company will close its fiscal year on December 31; probabilities are that a financial statement will not be published since investment interest in the company is largely confined to its bond issue.

This comprises an issue of $2,000,000 general mortgage bonds which were offered in January, 1930, at 95, carrying a bonus of 5 common shares with each $1,000 bond. The company also has outstanding $5,000,000 of 6½ per cent preferred stock and 150,000 shares of no par value common.

The mill came into operation in December, 1929. It has a productive capacity of 250 tons a day comprising the output of two 125 ton newsprint machines. Provision has been made for the installation of a third unit, should it be required.

MINAS BASIN PULP SELL OUTPUT IN U. S.

High Quality Groundwood Produced in Modern Plant

Minas Basin Pulp and Paper Co., operates a small modern high-grade groundwood pulp mill at Hantsport, N.S.

This organization has been in operation for a number of years, but lately has made considerable headway in the production of a superior quality of groundwood pulp, which is marketed with the Scott Paper Co. in the United States.

Careful measures are taken to see that the pulp is kept up to a high standard. Consequently Minas Pulp has been able to market all its output without difficulty.

Rebuild Plant in 1929

The company rebuilt its plant in 1928-29 and commenced shipments from the new unit in April last year. Production varies between 30 and 40 tons of air-dried pulp every twenty-four hours. The plant is so constructed that an additional unit can be installed at relatively low cost.

Financing of this undertaking has been more or less of a private character. There is outstanding $100,000 of 7 per cent cumulative preferred stock and $150,000 of common.

The company controls its own timber area of some 50,000 acres, and in addition has leased areas and also purchased wood direct from farmers and others. The plant is exceptionally well located as regards transportation, being accessible to water-borne transportation and the Dominion Atlantic Railway.

Egg Shipments Larger

Nova Scotia egg circles shipped 199,053 dozen eggs during the first nine months of 1930, this amount representing a gain of 31 per cent over the same period last year.

More Annapolis Royal Visitors

Visitors to the Fort Anne National Park, Annapolis Royal, during the past tourist season numbered approximately 16,000 as compared with 13,184 for the previous season. Of this year's visitors 11,704 registered

Hold Successful Fair

The first exhibition to be held in Digby county for the past ten years was concluded recently by the Bear River Agricultural Association and was very successful, with a large showing of cattle, vegetables and other exhibits.

Standard Construction Co., Ltd.
General Contractors

Bridges, Buildings, Foundations
Harbour Works and
Public Utilities

Our contracts this year include: Canadian General Electric office and warehouse; addition to Green Lantern Building; Halifax Harbour Commission Pier No. 5; power dam for Moirs Ltd. at Paper Mill Lake; new pier at Digby; new wharf for Nova Scotia Light and Power Company; and cold storage plant for Western Nova Scotia Bait Freezers Limited.

OFFICE:
PICKFORD AND BLACK WHARF
Phone S-773
HALIFAX - - NOVA SCOTIA

We are in a position to give an unusually efficient service in the buying, selling or evaluating of the following Maritime securities:

Avon River Power Co.
Maritime Telegraph & Telephone Co.
Nova Scotia Light & Power Co.
Halifax Fire Insurance Co.
Eastern Trust Co.
New Brunswick Telephone Co.
New Brunswick Power Co.
Connors Bros. Limited
Nova Scotia Trust Co.
Eastern Canada Savings and Loan Co.
Nova Scotia Mortgage Corporation
Acadia Sugar Refining Co.

Serving the needs of Maritime investors

MARITIME investors can be sure of satisfactory service in dealing with our eastern offices, whether they are interested only in securities originating in the Maritimes or in any other securities.

The efficiency of the financial facilities we offer in the east is based on long association with Maritime financing, a thorough knowledge of Maritime affairs, and an extensive chain of eastern offices. All of these offices are connected by private wire and are in instantaneous communication with leading financial centers.

If you wish to buy or sell securities, or require dependable information or counsel, please communicate with our nearest office. Our officers will be glad to lend their assistance.

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—by acting in an advisory capacity as financial counsel in making up your investment portfolio and in the buying and selling of securities.

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—as administrators and trustees of your estate, acting as your personal agents and representing you in the management of property and investments and in the collection of rentals and interest.

—as your business agent, in collecting money, coupons and other income and in paying insurance premiums and other obligations when due.

May we explain in detail how we are able to serve you in all financial matters?

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R. W. ELLIOT, Managing Director
G. R. HARRISON, Secretary
162 Hollis Street, Halifax, Nova Scotia

Christie Baggage

The Christie standard of dependability is typical of every style and type of Christie Baggage. Two Bags are offered in the same shop, alike as two peas to all outward appearance, yet one is marked $16.00, the other $60.00. One is built for "Sale," the other for "Service." A service that will last a lifetime. Unseen quality.

Christie Trunk & Bag Co.
Limited
AMHERST - NOVA SCOTIA

MOIR. SON & CO.
1830

ONE HUNDRED YEARS OF BUILDING

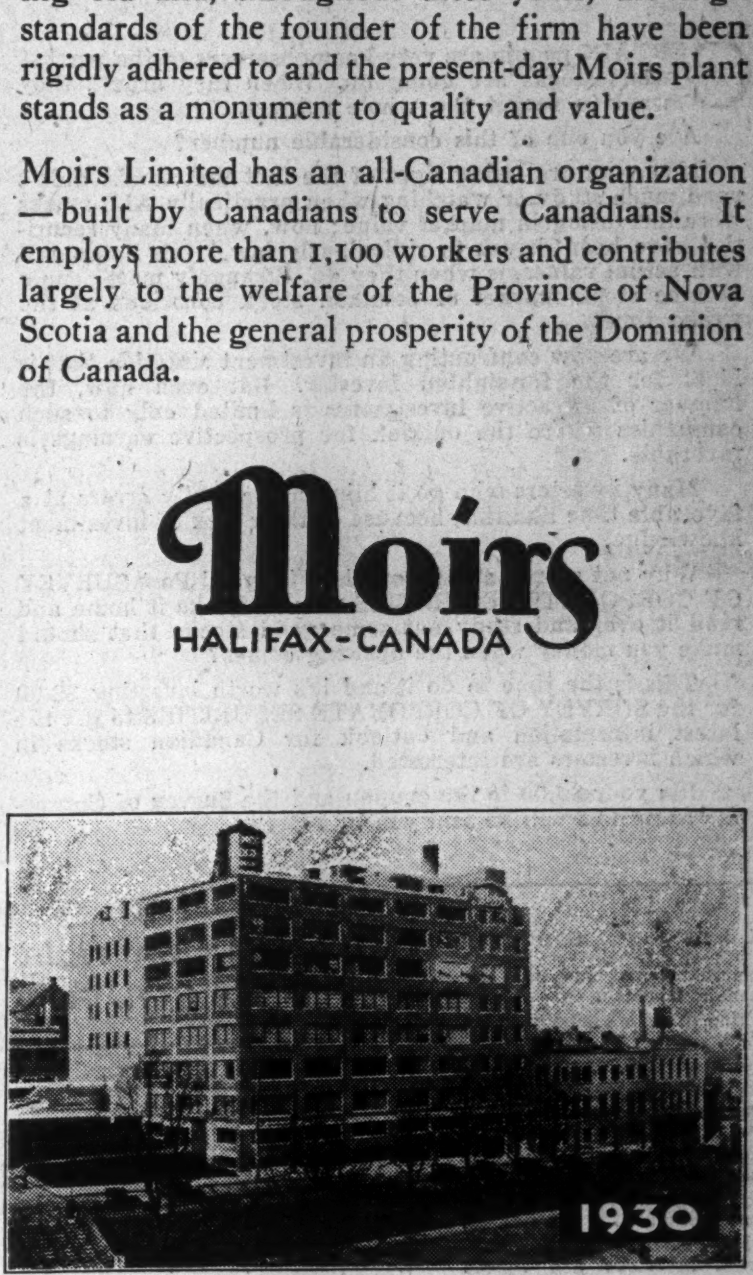
THIS year Moirs Limited are celebrating their One Hundredth Anniversary.

For one hundred years Moirs candies have played an important part in Canadian life.

Growing better is the only valid excuse for growing old and, throughout these years, the high standards of the founder of the firm have been rigidly adhered to and the present-day Moirs plant stands as a monument to quality and value.

Moirs Limited has an all-Canadian organization — built by Canadians to serve Canadians. It employs more than 1,100 workers and contributes largely to the welfare of the Province of Nova Scotia and the general prosperity of the Dominion of Canada.

Moirs
HALIFAX-CANADA



GOVERNMENT BOOK SHOWS RESOURCES OF NOVA SCOTIA

Ottawa Department Concisely Summarizes What Acadia Offers

Recently the National Resources Intelligence Service at Ottawa issued a comprehensive, although concise, booklet on the Maritime Provinces.

Some Population Facts

In 1921, at the time of the last census, the Maritimes had 11.38 per cent of Canada's population, the statistical records of the last three census years being as follows for Nova Scotia: 1901, 459,574; 1911, 492,338; 1921, 523,837.

The more populous districts of Nova Scotia, which has an area about 2,000 square miles less than that of Holland and Belgium combined, are Halifax (the capital city) and vicinity, the metallurgical and coal mining district of Sydney and Glace Bay, the fruit growing area of the Annapolis, Cornwallis, and Gaspereau valleys near the south shore of Fundy Bay, the fishing districts of Yarmouth, Lunenburg, Liverpool, and Shelburne in the southwest, the coal fields of Pictou and Springhill, and the industrial centres of Amherst, New Glasgow, and Truro.

Cities or towns in Nova Scotia having a population in 1921 of more than 8,000 were: Halifax, 58,372; Sydney, 22,545; Glace Bay, 17,007; Amherst, 9,998; New Glasgow, 8,974; Sydney Mines, 8,327.

Nova Scotia's population is of British origin chiefly, the chief races being:

British	407.618
French	56,619
German	27,046
Dutch	11,506
Other	21,048

Those of French origin are largely descended from the French colonists or Acadians and, like their forefathers who first dyked the tidal lands of Fundy bay, engage in some phase of the fishing industry or of agriculture. The majority of the 29,004 people of German descent in Nova Scotia are related to those 2,000 Hanoverians who founded Lunenburg and were reinforced by others at the close of the Seven Years' War in 1763. The English-speaking population claims many descendants from the soldiers who first cleared the forest around Chebucto bay for the site of Halifax; from those United Empire Loyalists whom the Maritimes welcomed when the American War of Independence ended; and from those soldiers of the King that were granted land after the Napoleonic wars. The large percentage of Scotch in the population is traceable to the 28,000 Highlanders who before 1828 had come to Cape Breton and the northern part of the peninsula.

Nova Scotia is not confronted with any problem of race assimilation, and the incoming settler is always assured of associations congenial to him.

Climate is Salubrious

After flowing along the east coast of Newfoundland the cold Labrador current attempts to round the Grand Bank to the south, but there it comes in contact with the northward pressing Gulf Stream, the warmth of which—59 deg. in the open Atlantic—tempers the climate of the Maritime Provinces and keeps open the year round a line of harbors extending from Cape Breton to Saint John on Fundy bay.

In a number of respects the climate is comparable with that of southern Ontario, the proximity of the ocean preventing extremes of heat and cold, but spring arrives somewhat late along the coast and still more so in the interior. Work on the land, however, usually commences about the first week in May and grain is ready to harvest early in September, although in eastern Nova Scotia, particularly Cape Breton island, seeding and harvesting dates are about two weeks later.

The precipitation, which is ample, ranges generally between 40 and 50 inches (as compared with between 20 and 30 inches in the vicinity of London, England) except along the south shore of Nova Scotia, where it is greatest—exceeding 50 inches.

Lure for Immigrants

The remarkable growth of the nearby New England States in the latter part of the 19th century and the lure of the Prairie Provinces of Manitoba, Saskatchewan and Alberta since 1900, together with the industrialization of Ontario and Quebec to meet the demands of Western settlers, deprived the Maritimes of many of its sons. As a result agricultural development received a set-back when the farmer-parents of these young emigrants grew too old, retired, or died.

In recent years, however, the tide of Western migration has been ebbing, for most of the free lands conveniently situated to the railways have been settled upon, and recognition which is rightly merited is being given to the Maritime Provinces. A realization of their potentialities has come to pass, their one-time citizens are returning, and emigrants from European shores no longer pass them by.

Of the lands now under or available for cultivation in Nova Scotia there are in the main three distinctive types—uplands, intervales, and dyked lands. The upland soils vary from rich alluvial loam, capable of producing large crops of hay, cereals, and vegetables, to the light sandy soils unfit for cultivation but suitable for pasturing sheep. Along the rivers and streams and adjoining the uplands are rich and productive intervales and fertile valleys, of which the famous valley of the Annapolis region—the Garden of Nova Scotia—is perhaps the best known.

The dyked lands along both sides of Fundy bay constitute a most valuable agricultural asset. Created by the extraordinary tides which have scoured out soil in enormous quantity and thrown it on the land, and reclaimed by dykes built by the early French settlers, these lands now form extensive meadows, with soil 80 feet deep in places, and can readily be revived by opening the dyke gates. This method of revival is seldom necessary, for there are areas known not to have been treated in any way for 50 years or more still yielding crops as bountiful as ever. Under intelligent draining at least three tons of hay of the very best quality is produced to the acre. Most important and extensive parts of this dyked area are at the head of Chignecto bay, where occur the famed Tantramar marshes—a seeming misnomer for such wealth of rich prairie meadows—and around Minas basin.

Forests and Forestal Products

The development of the magnificent forest that at one time covered the whole of the Maritimes excepting the tidal lands of Fundy bay began with the supplying of masts and spars for the French navy on De Monts arrival in Saint John in 1604 and the establishment of the first settlement shortly afterward at Port Royal, and ever since has been in uninterrupted progress, contributing today annual net productive revenue of $12,000,000 to Nova Scotia.

The forests resemble those of the State of Maine, being characterized by the occurrence of red spruce, which is more prevalent than the white variety. The principal forest types are (a) softwood: in which spruce-balsam, cedar, white and red pine, hemlock, jack pine (increasingly used for railway ties), and black spruce-larch are sub-types, the first named being more extensive than any of the others, (b) mixedwood: in which yellow birch, hard maple, beech, and to a less degree, poplar, white birch, and red maple occur intermingled with spruce, balsam fir, and, to some extent in certain areas, with white and red pine, hemlock and cedar, (c) hardwood: usually consisting of yellow birch, hard maple and beech, though varying widely in composition according to the soil and latitude.

In Nova Scotia the total land area is 21,062 square miles, of which some 10,300 square miles consist of productive forest land with merchantable timber estimated as below, and 5,000 square miles of fire barrens, natural barrens and bogs.

The Pulpwood Commission placed at 20,000,000 cords the amount of spruce and balsam for both pulpwood and lumber, and at 400,000 cords the annual combined consumption of these species, inclusive of some 50,000 cords used in coal mining.

Mineral Output High

To the $307,146,494 representing the value of Canada's mineral output in 1929 the Maritimes contributed $33,262,093, of which Nova Scotia accounted for $30,890,956.

More coal was mined in 1929 than in any other year since the war. In Nova Scotia with its reserves of some thirty-six thousand million tons there are four producing coal fields, of which the most important is Sydney where extensive under-sea mining is practised. Outside of the smal anthracite deposits of Rhode Island in the United States, these maritime coal deposits of Nova Scotia stand alone on the entire length of the Atlantic seaboard of the continent. The coal is bituminous and well suited to the manufacture of blast furnace coke for use with local limestone in the treatment of high-grade hematite. This iron ore comes from the Wabana mines of Newfoundland and is converted into iron and steel at the Sydney plant where 3,000 people are employed.

Including the quantity of coal used on the railroads, there is a present market in other Canadian provinces for about 3,500,000 tons of Nova Scotia's production.

In the world supply of fish Eastern Canada holds a somewhat analogous position to that of Western Canada in wheat, for the 200,000 square miles of fishing grounds off the 5,000-mile coast line (not including the lesser bays and indentations) from Grand Manan to Labrador constitute one of the world's three great fishing areas, the other two being the North Sea and the North Pacific. More than four-fifths of the entire ocean-fishing area of the North Atlantic lies around and adjacent to the Maritimes. The principal fishing banks—the scene of the first systematic development of a Canadian resource by Europeans—embrace nearly 60,000 square miles, and have yielded annually on the average for 30 years past more than eleven hundred million pounds of cod alone. The Grand Bank, lying southeast of Newfoundland, is 36,000 square miles in extent and by far the largest; it is frequented by fishing vessels and steam trawlers from France, Portugal, Spain, the United States, Newfoundland, as well as the Maritimes, and is perhaps the most important cod fishing ground in the world.

The commercial products of these extensive areas and of the inshore fishing waters consist for the most part of cod, haddock, hake, herring, halibut, pollock, mackerel, salmon, smelts, gaspereau (alewife), swordfish, tuna, and shellfish—principally lobsters, scallops, oysters and clams.

In both quantity and value the cod fisheries lead all other fisheries of the Maritimes. Nova Scotia alone accounted for 68 per cent of all the cod caught and landed in Canada in 1928.

The bulk of the catch of ground fish (cod, haddock, flounder) comes from the world-famous fishing banks to which reference has already been made. From Lunenburg, Nova Scotia, 75 vessels operating chiefly for the dried fish trade, which embraces cod, haddock, hake, cusk and pollock, had a total catch of 717.225 cwt. in 1928, compared with 682,770 cwt. in the previous year.

As a result of the growing development of rapid freezing processes, the markets for fresh cod, halibut, and other varieties of fish, whether in the round or in fillets, are materially expanding both at home and abroad.

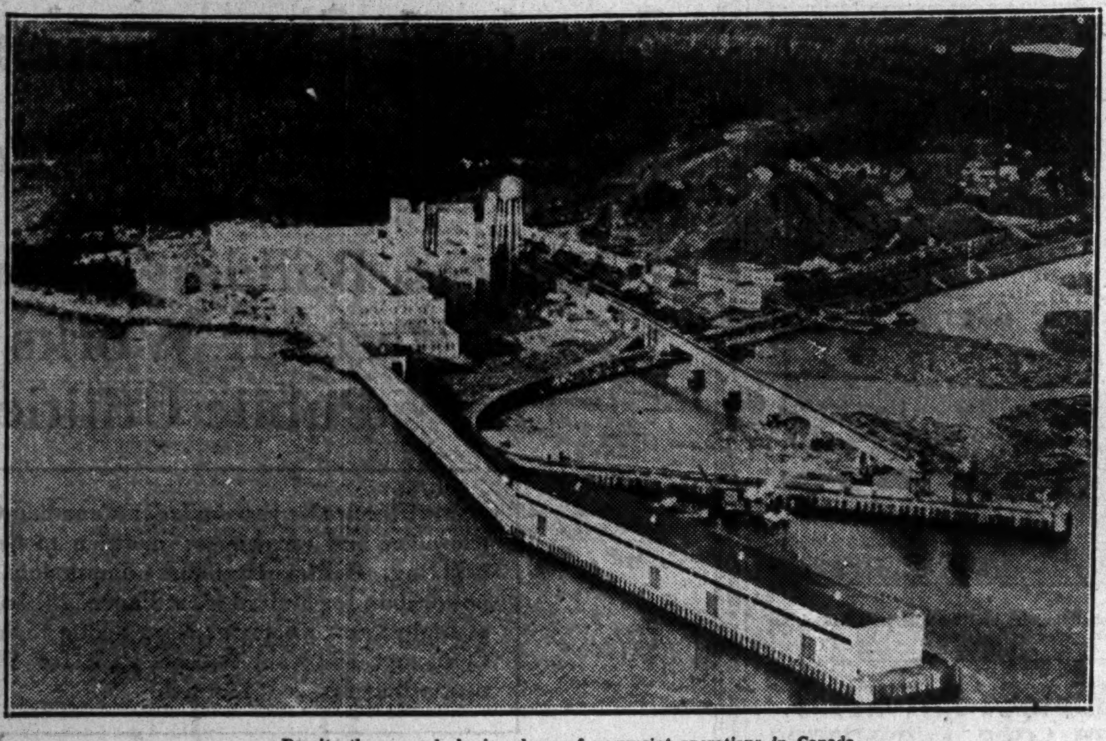
A large undeveloped market undoubtedly exists for strictly fresh fish in an up-to-date form convenient for handling and cooking, as is in part attested to by the remarkable public reception accorded the trial shipment early in 1928 of neatly packaged half-pound blocks of filleted haddock which had been frozen in the experimental plant of the Marine Biological Board.

Water-Power Resources

Ever since the days of the early French settlers who built near the present site of Annapolis Royal, Nova Scotia, what is believed to be the first water-driven mill on the American continent, water-power has been an important factor in the industrial life of the Maritimes. At one time saw- or grist-mills serving local needs were common sights on most of the rivers and streams, as were the larger mills on the principal rivers that supplied sawn lumber for export to England. And although many of these former structures have been abandoned and some have entirely disappeared, modern generating stations have risen in their stead to supply pulp and paper companies and through the transmission lines of central electric stations, a multitude of other users.

In Nova Scotia the distribution of power in Halifax and vicinity is made by the Nova Scotia Light and Power Company from plants operated as the St. Margaret's bay system of the Nova Scotia Power Commission. This system comprises three plants having an aggregate installation of 15,820 h.p. The commission also operates four other systems: the Mushamush system serving Riverport, Lunenburg and Mahone from the 1,155-h.p. plant on Mushamush river; the Sheet Harbour system with two plants providing a total of 11,849 h.p., from one of which power is sold in bulk to the Pictou County Power Board for distribution to various points in that county; the Mersey river system with four plants totalling 31.800 h.p.; and the Tusket system with a plant of 3 000 h.p. supplying the Western Nova Scotia Electric Company and Cosmos Imperial Mills, Ltd., both of Yarmouth.

Nova Scotia's Single Newsprint Mill



Despite the general slowing down of newsprint operations in Canada, Mersey Paper Company's mill at Liverpool, N.S., is planning to speed up its output.

AVON RIVER POWER CONTROL SECURED BY HALIFAX UTILITY

Nova Scotia Light Now Owned Majority of Stock

Control of Avon River Power Company has passed into the hands of Nova Scotia Light and Power Co. Both of these companies are controlled by Royal Securities Corp. and the transfer of ownership did not involve any change in management, the principal result being the consolidation of Nova Scotia's Light's position as the dominant utility in the province.

During the last two years, Avon River Power has carried on extensive development work, not only through the acquisition of other utilities, but in the development of its own water power resources and transmission systems.

Buy Other Utilities

Since the year 1929, Avon River has acquired control of the Chester Light and Power, Grafton Light and Power, Morristown Electric Light and Power, South Berwick Electric Light, Waterville and Cambridge Electric Light and Power, and Oxford Light and Power. Absorption of these distributing systems has resulted in the building up of the second largest utility enterprise in the province.

Power needs of the company are supplied through two hydro-electric power plants on the Avon River, one on the Gaspereaux River, and one on the Ball River, having a combined capacity of 8,600 h.p. Furthermore, the company has recently brought to completion a 4,500 h.p. development on the Black River, giving it a total reserve of 13,100 h.p.

Hook Up System

It is the intention to hook-up the Avon River system with that of Nova Scotia Light's Halifax system, and to this end a transmission line is now under construction from Windsor to Halifax.

In addition to the presently developed power resources, the company has undeveloped power sites capable of producing at least 8,000 h.p.

Lajoie, Robitaille & Co. Buys Grand'Mere Bonds

From Our Own Correspondent

MONTREAL.—Lajoie, Robitaille & Co. has been awarded an issue of $25,000, 5 per cent bonds of the Town of Grand'Mere, maturing in May, 1945. The award was made at 98.72 representing a cost to the municipality of 5.12 per cent. The bonds will be offered for subscription at par and accrued interest.

Among the tenders submitted were the following:

Banque Canadienne Nationale, 98.63; Dominion Securities Corp., 98.38; L. G. Beaubien and Co., Ltd., 98.27; Corporation de Prets de Quebec, 97.75; Wood, Gundy and Co., Ltd., 97.62; Gairdner and Co. Ltd., 97.62, and C. H. Burgess and Co. Ltd., 96.31.

Build Factory at Middleton

Construction has begun on a new jam factory at Middleton, for the manufacture of jams and apple syrups. The building will be 175 by 50 feet, of interlocking tile. Messrs. W. H. Chase and L. E. Shaw, of Wolfville, are the promoters.

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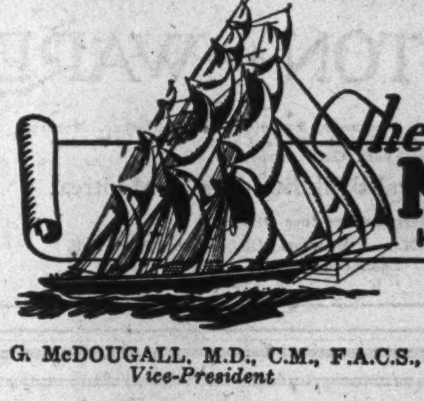
GROWTH

Year	Assets	Reserves	Business in Force
1924	$147,400.35	$13,789.99	$1,105,500
1925	232,955.00	48,150.63	2,159,596
1926	355,012.19	108,398.62	3,316,921
1927	490,242.43	198,693.68	5,037,621
1928	624,457.70	320,029.79	6,817,672
1929	761,829.43	471,089.00	9,026.202
1930 estimated	925,000.00	630,000.00	11,500.000



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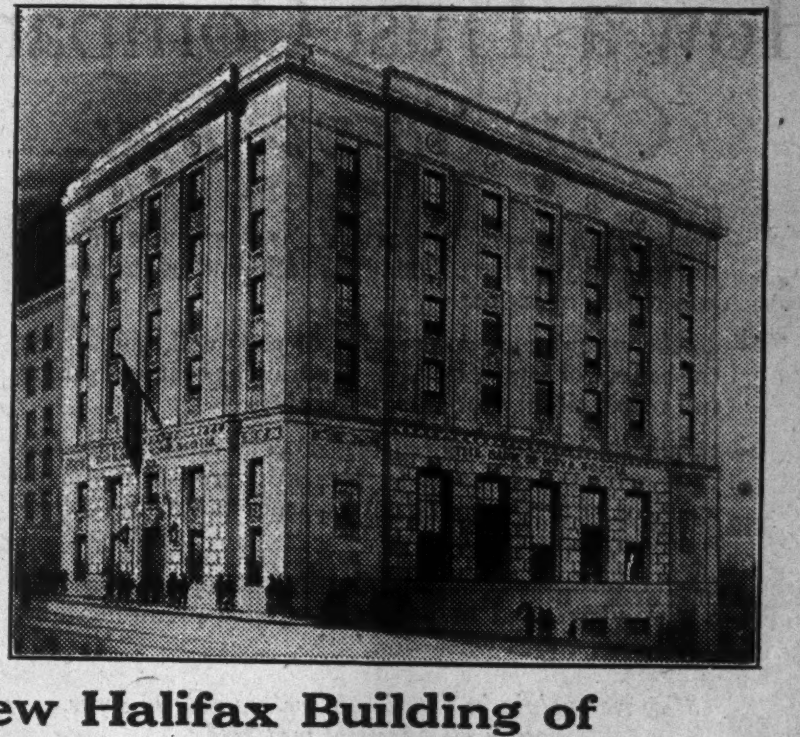

New Halifax Building of The Bank of Nova Scotia

Now under construction, offers fitting recognition of the growing commercial importance of the Maritime Provinces and also marks this Bank's desire to afford increased facilities for service to its customers in Halifax.

38 Branches in Nova Scotia, 37 in New Brunswick,
9 in Prince Edward Island.

Enquiries are invited at any of our Branches.

THE BANK OF NOVA SCOTIA
Established 1832
Capital $10,000,000 Reserve $20,000,000 Total Resources $270,000,000
J. A. McLEOD, *General Manager*, Toronto.

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CERTAIN people are very keen observers of the market when stocks are going up. When they aren't, they want to forget the whole subject.

Are you one of this considerable number?

If so, you are losing sight of the fact that stocks didn't need much study or watching when practically ALL stocks were increasing in market value; now, when many securities have been driven to ridiculously low levels compared with actual values, is when they do. Strangely most people become stock market or common stock conscious at the wrong time.

We are now confronting an investment situation that is ideal for the far-sighted investor. But even now, the number of attractive investments is limited only to such companies where the outlook for prospective earnings is favorable.

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This is the time to do it and it's worth investing $2.00 for the SURVEY OF CORPORATE SECURITIES to get the latest information and outlook for Canadian stocks in which investors are interested.

Pin your $2.00 to the coupon and the Survey of Corporate Securities will be sent you by return.

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1. Comprehensive review of each Canadian industry.
2. Position of each company in its industry.
3. History of each company's organization and development.
4. Names of all officers and directors.
5. Consolidated income and surplus account for three years.
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7. Dividend rate and when payable.
8. Capital structure and funded debt.

This 375-page book will help you find the right stocks. Clip the COUPON NOW.

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Send me postpaid a copy of The Financial Post Survey of Corporate Securities, 1930. Enclosed is $2.00 in payment.

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The material in this booklet appeared originally as a series of articles in THE FINANCIAL POST. So many requests for this information have been received that it was necessary to reprint the series in booklet form. Ten simple rules are given that will aid investors in taking advantage of the profit to be gained from a policy of long-term investing. This booklet tells you how to invest money in common stocks to make your money grow with Canada. Single copies 25c.

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A national and international problem. Many weeks of study and writing have been put into this analysis of a subject of the most direct importance to every Canadian. This booklet presents a survey of wheat development in Canada; a picture of the present world wheat situation, and a distinct diagnosis of the present difficulties that have affected the agricultural, financial and industrial situation in Canada to no inconsiderable degree. Facts are here given of vital importance to the income and the welfare of every one in Canada. Single copies 25c.

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MAR. TELEPHONE STATION INCREASE LARGEST IN YEAR

Greater Activity Reflect Betterment in Business

CONVERTING TO DIA

Large Sums of Money A Being Spent Toward Further Improving System

Operating results this year of th Maritime Telegraph and Telephon Co. have been the best ever exper enced by the company. Conditions i Nova Scotia and Prince Edwar Island, areas served by the compan have been well above average wit the result that there has been better demand for the service offered.

During the first ten months of the year the net gain in stations installed was in excess of any year since 1920. Total revenue during the same period was the greatest in history, but of late has been showing signs of tapering off.

Current Outlay Heavy

During the current year the company is spending approximately $2,000,000 on account of extensions and improvements to services. Of this amount approximately $500,000 will be spent on new toll equipment.

The work of switching over the telephone from the manual to the dial system is continuing steadily. Up to the end of October some 4,000 stations in Halifax had been converted to the dial system. It is anticipated that another cut-over will be made at the beginning of the year and that by next July Halifax system will be wholly dial.

Maritime Telegraph and Telephone operates the entire telephone system in Nova Scotia, and, through control of the Eastern Telegraph and Telephone Co., in Prince Edward Island. Its lines connect with the New Brunswick Telephone Co. system and it has other connections under favorable agreements for long distance business.

Have Big Stake

Real estate, plant, and equipment owned by the company has a value in excess of $8,000,000. In Nova Scotia there are in use over 4,000 miles of phone lines, over 72,000 miles of wire and approximately 40,000 telephones. The company also has a 99-year lease from 1910 on the copper submarine cable between Prince Edward Island and Nova Scotia.

The present company came into being 20 years ago, being a consolidation of the Nova Scotia, Eastern Valley, Yarmouth Amalgamated, Queens and Antigonish, Sherbrooke and Cumberland Telephone Co. In June, 1915, the company was granted the right to earn eight per cent on the total value of plant and property.

Capital Steadily Increases

Originally the company was capitalized with an authorized capital of $500,000, divided into 25,000 shares of six per cent preferred stock and 25,000 common shares, par value $10. Later this was increased by an additional 25,000 preferred shares and 75,000 common shares, making a total authorized capital of $1,500,000.

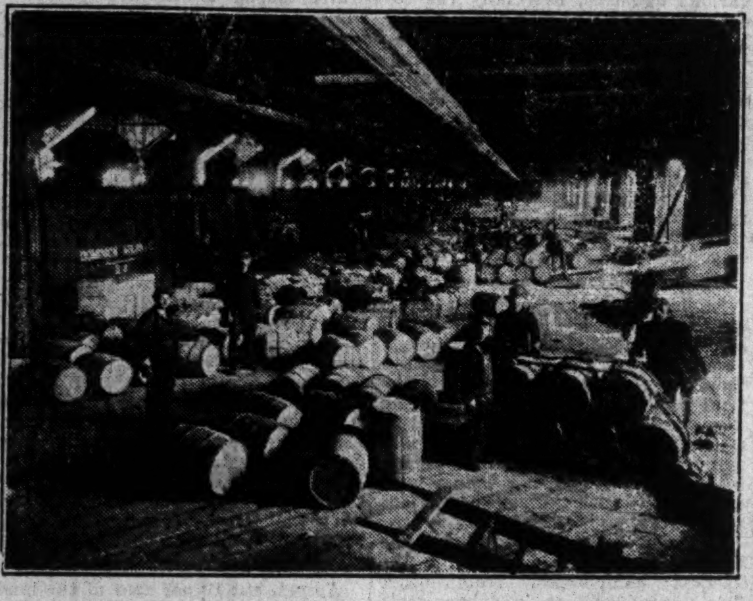
A further increase was made in 1911 by the issue of another 50,000 shares of preferred. At the end of that year there was issued $650,000 of preferred and $850,000 of common. In 1917 a new issue of $1,500,000 seven per cent preferred stock was authorized and of this $617,000 was issued the following year and the balance in 1921. The six per cent preferred stock was interchangeable with common on a share for share basis and in 1927, when the common was put on an eight per cent dividend basis, the entire issue of six per cent preferred was exchanged.

Offer Stock Rights

At the present time, the company has outstanding capital of $1,500,000 of seven per cent cumulative preferred and $2,445,340 of common stock. The latter does not include an offer to shareholders of $680,000 last November, which stock was not paid for in full until the end of March last. In addition, the company has a funded debt of $2,500,000.

Judging by the results secured in the first ten months of the year, reports for the full year should show a substantial all round improvement in the finances of the company.

Handle Million Barrels of Apples Yearly



During a normal year Nova Scotia produces in the neighborhood of one million barrels a year. The problem of storing and transportation is a gigantic one. This view shows the interior of a warehouse at Halifax, where the apples are being loaded for export.

FREIGHT RATE ON PULPWOOD LIMITS TRADE

Canadian Pulpwood Assoc. Claim Soviet Wood Favored

From Our Own Correspondent

MONTREAL—Claim that a special freight rate on the movement of Soviet pulpwood from Sorel, P.Q., to Watertown, N.Y., has directly resulted in the loss to Canada of the sale of 250,000 cords of pulpwood, is made by Ralph P. Bell, manager of the Canadian Pulpwood Association. The blame lies with the Canadian National, according to Mr. Bell, because that road gave a rate one-half cent lower per hundred pounds than the rate for Canadian pulpwood.

Canadian National Railways put forward the defence that the market was already lost to Canadian producers and that the pulpwood was reaching its destination through Albany. The Canadian National did what it could to get the handling of the business. In this move, the Canadian Pacific was in agreement for it cut the rate from Three Rivers.

Matter for Board

For nearly three months the matter has been in controversy between the association and the railway by correspondence and it is possible that it will be taken before the Dominion Board of Railway Commissioners before a settlement is reached.

The pulpwood men are taking the stand that the one-half cent preference is discrimination against the Canadian producers while the Canadian National claims there is no discrimination against Canadian shippers.

At the same time, Ontario pulpwood producers assert that existing rates to the Northern New York district are discriminating against them in favor of Qubec producers.

The matter was first drawn to the attention of the Canadian National early in September, and since that time there has been a continuous flow of correspondence between the two executives.

Specific instances illustrating the rate differences complained of were pointed out by James Thompson, president of Thompson & Heyland Lumber Company, Toronto.

Mr. Thompson contends that even though the reduction was not granted till the wood was in transit, the reduction would encourage the shipment of Russian pulpwood for next year and in this way injure the Canadian production.

Ontario Feels Pinch

Against the Ontario shippers there is a much greater discrimination, Mr. Thompson stated. Some four months ago rates were dropped from 14½ cents to 11 cents on the Russian pulpwood, while rates on Quebec produced pulpwood were reduced to 11½ cents, thus not only putting the Russian shippers in a preferable situation, but putting the Ontario producers to the bad to the extent of three cents against their Quebec competitors.

From the district west of Ottawa the rates range from 19 to 22 cents, Mr. Thompson said, although the mileage covered by the 19 and 20 cent rate is less than that from Sorel to the Watertown district in New York. That rate has stood in the face of the three-cent drop in Quebec rates. It places the Ontario shipper in an impossible position, Mr. Thompson said.

MARITIME LIFE AGAIN REPORTS BUSINESS GAIN

Policies in Force Now Valued at Over $9,000,000

Maritime Life Assurance Co. continues to make the progress noted since the inception of the company over six years ago.

Starting with one office in Halifax, Maritime Life has gradually extended its organization until today it operates branches in New Brunswick, Prince Edward Island, Newfoundland, Bermuda, Bahamas, Jamaica, Antigua, St. Kitts and Montserrat.

Since its establishment in 1924, assets of the company have advanced from $147,400 to $761,829 at the end of 1929. In the same period reserves have increased from $13,789 to $471,089. While business in force has jumped from $1,105,500 to $9,026,202. With the growth in business has followed an increase in premium income from $25,546 to $225,877. At the same time cash income has mounted from $2,566 to $35,549.

Assets Near Million

The balance sheet at the end of 1929 shows assets totalling $836,829, of which current assets amounted to $772,972. Net outstanding and deferred premiums totalled $52,305 and interest due and accrued $11,550.

Liabilities cover reserve for assurance amounting to $471,089 policy claims, due and unpaid $2,000 sundry taxes and outstanding accounts, $3,307; a secured bank loan of $75,000 and sundry small items.

The capital stock authorized and subscribed for amounts to $1,000,000 of which $250,000 has been paid up. Capital stock surplus at the end of last year totalled $34,574.

Build Bakery at Windsor

J. D. Stone, formerly of the Eastern Bakeries, Saint John, N.B., has completed arrangements for the establishment of a modern bakery at Windsor, N.S., having a capacity of 1,500 loaves daily for the wholesale trade. Machinery and equipment for the new plant is arriving from Toronto.

Forest Industries of N. S. Occupy Leading Position In Industrial Operations

Rank Third in Respect to Value of Output

STATUS NOW WEAK

Market Conditions Do Not Permit Profitable Operations—Demand for Pulpwood

Nova Scotia's forest resources, including all classes of merchantable material, are now estimated to contain the equivalent of 30,000,000,000 feet b.m. of which about 50 per cent is softwood timber.

Of the wood suitable for the manufacture of lumber, there are estimated to be 6,500,000,000 ft. softwood, and 3,500,000,000 ft. hardwood. Pulpwood resources are estimated at 25,000,000 cords of spruce and balsam and 6,000,000 cords of poplar, hemlock, and jack pine.

Next to mining and fishing, forestry operations are the most important economic activities in the province.

Over 550 Plants

The latest Government returns show that there are 553 establishments within the province engaged in the manufacture of wood and paper products. The capital invested totals $15,961,565 and the gross value of production, $9,580,589. After deducting the cost of raw materials, amounting to $4,274,395, there remained a net value of output totalling $5,306,194.

Use More Pulpwood

Forest industries of Nova Scotia may be roughly divided into two classes, namely, saw mill and pulpwood operations. The greatest growth has probably been recorded by the latter, due to the establishment of the Mersey Paper Co. mill at Liverpool. As a consequence, the demand for pulpwood has increased substantially. Moreover, there is the pulpwood used in the pulp manufacturing plant, while a large amount is exported.

Sawmills Are Depressed

Sawmill operations have not been on as satisfactory a basis. In surveying the current situation, Canada Lumberman points out while there will still be considerable activity in the lumbering industry in Nova Scotia during the forthcoming winter, the total cut, it is estimated, will aggregate smaller than in any single season in the past decade.

For years Nova Scotia, using her unique methods of production entailing widespread use of portable outfits, has been producing upwards of 350,000,000 ft. of various grades of lumber, annually. This year, however, many operators estimate that the cut will be close to the 200,000,000 ft. mark.

Poor Overseas Market

There are many contributory causes to this poor outlook for Nova Scotia's 1930-31 lumbering industry. The chief reason is the poor overseas market and the lack of any definite upward swing in prices. Operators in the season about to end made a poor showing as compared with previous years.

Operators state that they are unable to carry on in the face of an adverse market, especially when they are faced with the highest compensation fees in the industry's history. When conditions in the world markets were good, they point out, the compensation fees in Nova Scotia remained unchanged and the industry prospered in a marked degree. Now, however, that conditions in the lumbering industry are worse, the increased fee must be paid, thus increasing the overhead to such an extent that the business has become unprofitable in many cases.

Operating Expenses Heavy

In practically every section of the province, lumbering operators state their operating expenses have increased steadily during the past ten years. Wages have gone up in sympathy with the increased rates paid organized labor; the cost of supplies has mounted steadily, while transportation costs, now that the motor trucking practice is used extensively, have increased materially.

Industry in Colchester County, one of Nova Scotia's largest producing sections, will likely suffer a great falling off in production this winter. In previous years the cut in this section ranged from 35,000,000 to 50,000,000 ft. annually, besides a great quantity of laths. This year it is estimated that the cut will not be over half the maximum figure.

Prospects Not Bright

As the fall lumbering season sets in, news received from the various markets appears to hold out little hope that conditions will brighten up within the next few months, or before world economic conditions become a bit more stable.

While many lumber operators have become a bit discouraged over the continued depression in export lumber markets, others are looking to the future with a remarkable degree of confidence, believing, as they do, that the present quietude is merely a readjustment of world conditions, which had necessarily to come about before operations could again be carried on a normal basis.

English Market Dull

News from the English market indicate that there is little to look forward to there for some months. Stocks on hand are reported to be heavy due to the summer inflow of Russian and Scandinavian timber. While consumption has not fallen off to any great extent it is expected that demands until the spring will be largely for special dismensions and even for those in small quantities.

Conditions in eastern United States lumber consuming areas are no better than they were earlier in the year. The situation there has been most disappointing to Nova Scotia exporters who had expected to market a large portion of this year's cut in that section at reasonably good prices.

Construction activities along the Atlantic seaboard of the United States this fall fell away to a marked degree, and other than the lumber used in connection with industrial plants, consumption has been limited to a few major undertakings taken on as a means of alleviating unemployment.

The lath market, which collapsed almost three years ago is still in a state of weakness in so far as Nova Scotia lath shippers are concerned. Many have large stocks on hand, but the prices offered at New York have not been sufficient, in some cases, to pay the cost of handling the products.

Demands from Quebec and Ontario, while satisfactory, have not been sufficient to clear up stocks in time to get down to another winter's work in the woods. The West Indies has proved to be a great aid to Nova Scotia producers this year, having consumed more lumber than for some time past. Prices have not been any too attractive on the whole, but prices, in a market such as has been experienced by Nova Scotia producers this year, are not a major consideration.

BIRD'S-EYE VIEW OF WORLD FINANCE

Brief, Intimate Glances at Trend of Things Economic

Prepared weekly by the Bankers' Bond Company, Toronto

Canada

Exports of Canadian wheat during the months of August, September and October, 1930, were almost double similar exports for the same period of a year ago. Total exports of wheat and wheat flour during the past three months were 85 million bushels against 46 million bushels last year and an average of 70 million bushels over the past five years. A direct sale by Canada to Mexico of 200,000 bushels of wheat has been effected on behalf of the Canadian wheat pool. This is the first sale to Mexico and follows sales several weeks ago of smaller quantities to Colombia and other Central American countries. One thing is clear in the light of the present conditions, the tendency toward a more economical basis for producing wheat on the Prairies. Instead of modern machinery bringing about a lower wheat market, the wheat market itself has now made the use of modern machinery imperative.

United States

A comparison between the value of stocks listed on the New York Stock Exchange and the brokers' loans outstanding provides the illuminating fact that, despite the drastic reduction since last November of nearly 75% in the loans outstanding among the Federal Reserve member banks, the value of listed stocks has declined but 50% in this period. The shrinkage in security values from last year's peak to the end of October amounts to approximately 34 billion dollars. March 31st represented the high point for security values in 1930, the total then being 76 billion dollars. At the end of October this value stood at 55 billion dollars, showing a shrinkage of 21 billion dollars from the high level of March. An increase in the value of brokers' loans relative to security value is a direct indication of speculative activity and the passing of securities into weak hands. Since conditions during the past few months represent a direct reversal of this trend it is apparent that, while the market is declining and weaker holders are getting panicky, the more substantial class of investors have stepped into the market and bought stocks outright.

United Kingdom

The commodity markets during the past week have been dull owing to the course of copper being so uncertain. Although large producers of this commodity are still holding the domestic price in New York at 12c, it is reported that trading has been done as low as 10½c per lb. A better feeling generally prevails on the London Stock Exchange owing to the more clarified position of the economic situation.

General

Owing to the better interest at present evinced by investors in the stock market, some anxiety is felt among bond dealers as to whether the public will refrain from investment in the senior issues. During the past 12 months there has been quite a scarcity of first-class bonds both on the European and American continents owing to the fact that the declining tendencies of the stock market have encouraged the more stable form of investment. Flotations of senior bonds during the past year have been totally inadequate, hence large sums of money have had to be left unemployed in the capital centres of the world. For the present, we continue to see a brisk demand in the bond market. In this respect we anticipate however a growing interest toward second grade issues of bonds for, although the stock market is of an improved tone, the popularity of bonds will not wane until commodity markets have provided the requisite inspiration to manufacturers who in turn will provide the investing public with adequate stimulus in the way of improving profits. Although it is felt that the commodity market has attained its nadir and in many respects may be considered to be on the upgrade, yet, owing to the approach of the seasonal slackening in industry, positive reflection will not be available on the stock markets until Spring.

The failure of the Oustric Bank in France has been temporarily tided over, although a great deal of harm has been caused owing to the distrustful attitude of the French public toward bankers. It is moreover probable that in the course of the next few weeks, a large amount of deposits will be withdrawn and the hoarding habit of the Frenchmen continue increase.

General conditions on the South American Continent have improved during the past fortnight. With the advent of the new government in Brazil, internal difficulties have been overcome, and financial matters in connection with funded debts have been satisfactorily settled. The task of the new régime is not, however, an easy one. Brazilian loans since the War have accumulated speedily and, on account of this, it has been almost impossible to stabilize the currency without external aid. It is estimated that the Vargas government will retrench in capital expenditure and also bring about a currency reform which will help to encourage trade with foreign countries.

B. C. Imports Hard Coal From French Indo-China

From Our Own Correspondent

VANCOUVER.—Continued importation of anthracite coal from French Indo-China is being investigated by the provincial authorities here and also the Dominion government as a result of complaints filed by coal companies operating in British Columbia.

Importers of the coal contend, however, that it is not in direct competition with coal produced in this country as it is for special purposes such as brooder fuel in the poultry industry. Similar coal is not produced in Canada, they claim.

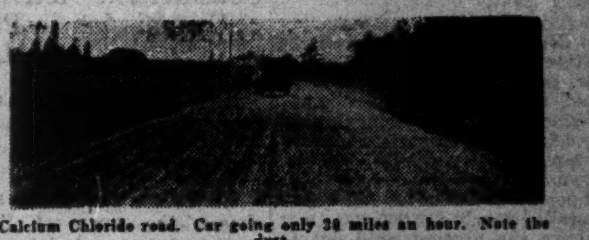
Nevertheless, Hon. W. A. McKenzie, minister of mines, is determined to eliminate if possible all importations of foreign coal. This is in line with the Government's programme of developing new markets and new uses for British Columbia coal. The coal industry on the coast has been in a sick condition for years and competition of foreign fuels has resulted in a serious shrinkage in consumption in the markets that once brought prosperity to the mines.

The federal government is now giving financial assistance to coal mines in the Crow's Nest district and Hon. W. A. Gordon has been spending several days there in an effort to get at the fundamental facts of the situation.

Apple Exports Better

The movement of apples from the Annapolis Valley to Halifax for export, from the beginning of the season to date, amounts to 347,496 barrels, 20,809 half barrels and 2,335 boxes, as compared with 330,976 barrels, 8,624 half barrels and 24 boxes for the similar period of last year.

Untreated road. Car travelling 35 miles an hour. Note dust — road blowing away.



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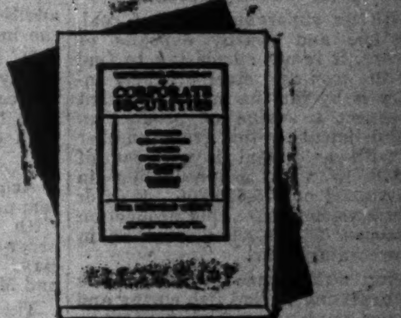

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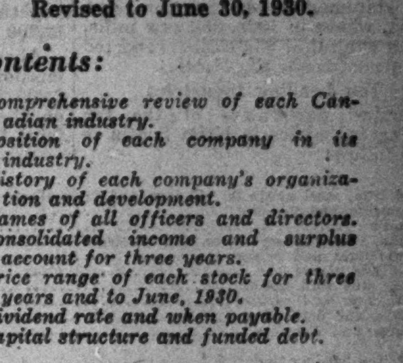

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MANUFACTURES IN NOVA SCOTIA RECORD GROWTH

Latest Returns Show Output Worth $84,000,000

Industrialization is relatively as pronounced in Nova Scotia as in other provinces of the Dominion. With a few exceptions, industry is largely of a local character. This has been due to the fact that the province's industries are far from the large markets of Central Canada, while the domestic demand is of limited proportions.

Through its wealth of raw materials and exceptional facilities for manufacturing, industry has progressed steadily from year to year. Though the Federal Government returns do not give a comprehensive idea of the extent of industrial development in the province today, the figures for 1928, the latest available, give a comparative idea of the importance of manufacturing within the province.

Output Shows Gain

According to the returns of 1928, Nova Scotia's industries turned out products to the gross value of $84,948,608. After deducting the cost of materials, the net value of products was $40,780,167. This was an increase of $8,381,190 over the preceding year.

Detailed returns on manufacturing in Nova Scotia bring to light many interesting facts regarding industrial activity in the province. At the end of 1928 there were 1,167 establishments in operation. Capital invested in these enterprises totalled the impressive sum of $138,809,331. Employment was provided for over 20,000 people, and salaries and wages paid totalled nearly $19,000,000. Over and above the amount paid out to employees, the manufacturing industry distributed $2,974,941 for fuel and $44,168,441 for materials.

Main Figures Quoted

In the following table will be given concise figures upon the extent and importance of industrial activities within the province, together with comparative figures for 1927.

Establishments reporting	No.	1,190	*1,167
Capital invested	$	128,155,040	138,809,331
Employees on salaries:			
Male	No.	1,237	1,383
Female	No.	379	395
Total salaries	$	2,642,451	2,850,760
Employes on wages:			
Male	No.	12,835	14,008
Female	No.	3,413	3,436
Total wages	$	10,963,493	12,987,634
Outside piece-workers:			
Male	No.	9	1
Female	No.	12	12
Total amount paid	$	10,603	1,425
Cost of fuel	$	2,318,477	2,974,941
Primary power equipment	H.P.	196,642	179,950
Cost of materials	$	42,059,320	44,168,441
Gross value of products	$	74,458,297	84,948,608
Net value of products	$	32,398,977	40,780,167

*The decrease in the number of operating establishments in 1928 is due to a falling off in the number of fish canning and curing plants, fruit and vegetable canneries and sawmills reporting for the year.

Steel Industry Leads

With its superabundance of coal, limestone and nearby deposits of iron ore, it is not surprising to find that the iron and steel products industry is by far the most important in respect to value of production. Establishments in this group number six, with a capital investment of $29,978,715 with a production in 1928 valued at $15,625,206. It is of interest to note that this production is roughly $6,000,000 more than in the preceding year.

Being a Maritime province, it is not surprising to find fish curing and packing ranking second in importance. A total of 219 plants, in which there is a capital investment of $3,724,210, reported an output valued at $7,930,900.

As is the case throughout most Canadian provinces, saw mill operations constitute an important factor in the economic life of the area. This statement holds true for Nova Scotia, where in 1928, 352 saw mills, with a capital of $3,915,452, reported an output worth $3,441,448.

Ten Leading Industries

Further particulars of the ten leading industries in Nova Scotia in 1928 follow:

	Plants	Capital	Output
Rolled iron, steel products, pig iron and ferro-alloys	6	$29,978,715	$15,625,206
Fish curing and packing	219	3,724,210	7,930,900
Sawmills	352	3,915,452	3,441,448
Biscuits, confectionery, cocoa and chocolate	11	4,437,146	3,439,530
Electric light and power	78	14,130,973	3,280,348
Butter and cheese	30	1,078,118	2,881,043
Hosiery and knit goods	4	3,606,214	2,248,578
Shipbuilding and repairs	13	10,999,345	1,972,433
Printing and publishing	31	2,033,158	1,923,854
Castings and forgings	15	2,180,896	1,724,064
Total, ten leading industries	759	76,084,222	44,467,404
Total, all industries	1,167	138,809,331	84,948,608

Same Group Relationship

The relationship borne between the ten leading industries in the matter of value of production is carried out when manufacturing is analyzed on a group basis. Thus in 1928, iron and its products had a value of $21,535,891. Next in order of importance was non-metallic mineral products with an output worth $14,540,182. Vegetable products ranked third in importance with $13,492,322 and animal products fourth, with an output of $11,844,839. Full particulars of the leading groups of industries for 1928 are subjoined.

	Plants	Capital	Output
Vegetable products	107	$13,382,286	$13,492,322
Animal products	265	5,508,620	11,844,839
Textile products	48	7,614,122	6,197,751
Wood and paper products	553	15,961,565	9,580,589
Iron and its products	32	42,000,258	21,535,891
Non-ferrous metal products	3	29,374	84,964
Non-metallic mineral products	49	27,021,130	14,540,182
Chemicals and allied products	12	2,042,562	2,281,680
Miscellaneous industries	20	11,118,441	2,160,042
Central electric stations	78	14,130,973	3,280,348
Total of groups	1,167	138,809,331	84,948,608

Sydney Leading Producers

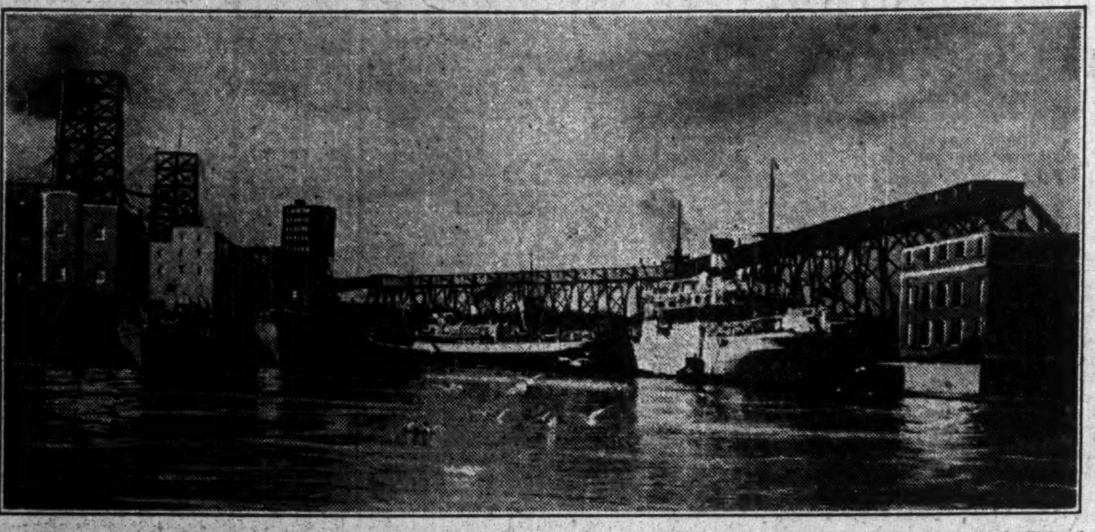
A feature of the industrialization of Nova Scotia is the widespread distribution of manufacturing activities. In other provinces, especially in the West, it is common to find that industry is centralized in three or four of the largest centres. While the same is true of Nova Scotia, it is modified to the extent that there are nine centres with an output valued at over $1,000,000, while five other points have a production valued at between $500,000 and $1,000,000.

The principal industrial centre of Nova Scotia is not Halifax as many might surmise, but Sydney, where the great Dominion Iron and Steel Corp. activities are centred. This centre had an output in 1928 valued at $19,570,385. Following in order of importance was Dartmouth with a production of $17,630,681 and Halifax with $14,403,319.

In the following table on the value of production by communities, it will be noted that Sydney and Dartmouth have relatively few industries as compared with Halifax. The point of importance, however, is that in most centres the average industry compares in size with that found in any other part of the Dominion.

Amherst	24	$ 4,750,561	$ 2,747,080
Annapolis Royal	6	146,330	110,723
Antigonish	7	157,456	151,139
Bridgetown	9	310,055	247,110
Bridgewater	20	825,704	603,138
Canso	4	320,915	837,914
Clarke's Harbour	8	62,800	341,128
Dartmouth	15	15,901,328	17,630,681
Digby	7	354,468	490,687
Glace Bay	7	260,239	249,939
Halifax	105	31,207,610	14,403,319
Hantsport	3	137,963	94,424
Kentville	10	183,024	130,780
Liverpool	9	2,995,244	308,834
Lockport	5	352,460	386,307
Louisburg	4	20,625	43,446
Lunenburg	14	678,199	569,352
Mahone Bay	12	92,780	126,424
Middleton	8	359,228	451,148
New Glasgow	27	2,100,587	1,613,743
New Waterford	3	65,582	63,515
North Sydney	13	292,621	392,094
Oxford	10	313,968	292,788
Parrsboro	5	131,752	87,769
Pictou	12	466,232	647,157
Port Hawkesbury	4	728,284	407,456
Shelburne	17	264,564	301,738
Springhill	5	87,689	86,209
Stellarton	10	695,673	508,196
Sydney	34	45,147,202	19,570,385
Sydney Mines	5	175,214	69,523
Trenton	3	8,926,265	4,150,608
Truro	24	4,616,924	3,520,013
Westville	3	4,801	11,064
Windsor	13	2,211,890	1,178,480
Wolfville	6	159,178	197,320
Yarmouth	29	2,861,621	2,448,884

Where Tugs Are Not Needed to Dock a Boat



Halifax is one of the few ports the world over, where the captain can bring in his boat and dock at the pier without the assistance of a tug. Through the Harbour Commissioners strenuous efforts are being made to utilize still further the port facilities for commerce between Canada and other countries.

Provincial Power Board Operations Are Widening

Considerable Activity Reported by Nova Scotia Power Commission in Past Year—Takes Active Interest in Lake Ainslie Project

Nova Scotia Power Commission continues to make the progress which has characterized its activities in the last few years.

Last June the commission purchased the town of Shelburne's municipal hydro-electric generating system. At present, municipality is being supplied from a 500 h.p. development on the Roseway River. The demand for power in Shelburne and neighboring territories is increasing at a rapid rate and will, in all likelihood, involve the commission in additional construction to provide for the increasing load.

It is also anticipated that the Sandy Point district may apply to the commission for an extension to that territory, to serve the district with electric power and energy.

Operate Five Systems

Acquisition of the Shelburne system provides the commission with its fifth system, the others being in order of formation: St. Margaret's Bay, Mush-a-Mush, Sheet Harbor, and Mersey.

The Mersey development came into operation a year ago, primarily to supply power to the new pulp and paper plant of the Mersey Paper Co. at Liverpool. Three developments were undertaken by the commission with a combined installation of 31,000 h.p. The first is at Upper Lake Falls with 7,750 h.p., the second at Lower Lake Falls with 10,600 h.p. and the third at Big Falls with 12,700 h.p.

About the same time, the commission completed a development of 3,000 h.p. capacity at Tusket Falls on the Tusket River. The energy from this plant goes to the Western Nova Scotia Electric Co. and the Cosmos Imperial Mills Ltd.

Own Biggest Plants

The largest hydro-electric plants operating in the province are those belonging to the Nova Scotia Power Commission. Aside from those mentioned above, the commission controls two stations at St. Margaret's Bay, with installations totalling 11,975 h.p. and two stations on East River, Deep Harbor, the first at Malay Falls, with 5,500 h.p., furnishing energy to the coal mining and industrial centres of Pictou County, and the second at Ruth Falls with 6,290 h.p.

It had been considered that the commission had about reached the limit of its generating capacity on sites developed. Recent improvements in the design of automatic equipment for power stations, however, makes it possible for the commission to utilize many sites that in the past were not considered attractive.

Plenty of Power

It is now estimated that there is sufficient power to warrant a turbine installation in the province on a commercial basis of 400,000 h.p. During recent months the commission has been active in investigating and fostering the Lake Ainslie power site, which, if undertaken, will meet the needs of Cape Breton.

This interest arose primarily through the desire of the city of Sydney to secure a power supply independent of that provided by the Cape Breton Electric Co., whose franchise expired this year.

View Ainslie Project

The Lake Ainslie hydro-electric development is economically possible, only if power is supplied to the city of Sydney and adjacent territories. Without the co-operation of Sydney, it will not be possible to go ahead with this project.

Lake Ainslie is situated, for all practical purposes, in the centre of the island. Transmission lines to Sydney would bring power within easy reach of such places as Baddeck and Whycocomagh, Iona and many other important communities and rural sections. At Iona, an important gypsum industry is being built up and where power requirements will become considerable. Sterling, Richmond County, could also be readily reached from this transmission, as well as the mines in the neighborhood of Coxheath. From Whycocomagh, a transmission line would connect up the town of Port Hawkesbury and Port Hastings, passing through River Denis en route, where other mineral deposits are being developed. From Port Hawkesbury, the town of St. Peter and Aricat and many rural sections could easily be supplied with electrical energy.

Scheme Not Definite

There is a good possibility that Sydney will enter into contract with the Royal Securities Corp., whereby that organization will take over the Cape Breton Electric System and secure its supply of power from the Glace Bay steam power plant of the Dominion Steel and Coal Corp. In that event, plans of the Nova Scotia Power Commission for the development of the Lake Ainslie project would be indefinitely postponed.

GYPSUM DEPOSITS COVER WIDE AREA IN NOVA SCOTIA

Production Has Shown Marked Gains in Recent Years

Production of gypsum in Nova Scotia is being maintained at a satisfactory rate. In 1929 there were mined 948,895 tons valued at $1,152,160 and though this showed a decrease of about 23,000 tons from the 1928 figures, it showed a marked gain over figures of preceding year.

Over 75 per cent of the total production of gypsum in Canada is mined in Nova Scotia. The potentialities of the industry, viewed in the light of increasing demands from the construction industry, are apparent. Gypsum today is a valuable mineral.

Exported to United States

The majority of Nova Scotia gypsum, however, is calcined in the United States. This situation, perhaps, is not as satisfactory as it might be and it is possible that the future will bring further development of calcining operations in the province itself:

Some of the major producers in Nova Scotia include Canada Cement Co., Canadian Gypsum Co., and Gypsum, Lime and Alabastine, Canada, Ltd. In all, there are about fourteen different gypsum companies operating in the province. Activities are carried on in Hants, Inverness, Victoria and Antigonish counties.

The largest operator is the Canadian Gypsum Co., which has large holdings in Hants Co., and operates two main quarries. Location of the quarries is favorable to shipping, and the gypsum, after blasting, is hauled up an incline and transferred to the crushing plant, situated at the shipping wharf.

The Atlantic Gypsum Products, Ltd., is another large producer. Quarries are located about three miles from Cheticamp and a substantial area of gypsum-bearing land is held under lease.

Operations during recent years have been centred around construction work and development. A 2,000-ton crusher has been installed and some of the finer gypsum has been shipped to the United States.

In all, gypsum is found in 52 distinct areas in Nova Scotia and the deposits cover about 625 square miles. All gypsum is produced by the open cut or quarry method of mining.

APPLE HARVEST OF NOVA SCOTIA LEADS CANADA

Steps Taken to Strengthen Position in Export Market

Nova Scotia is the premier apple producing province of Canada, accounting for over 38 per cent of the Canadian apple crop over a five-year period. Nova Scotia's great apple harvest is largely attributable to the Annapolis Valley, a district where opportunities for production of apples are considered ideal.

The crop of the past season is considered satisfactory. Though final figures are not yet available it has been estimated that the crop will comprise about 934,600 barrels as compared with 1,737,876 barrels last year. This compares with a five-year average of 1,127,161 barrels.

Better Price Expected

The return to the apple growers in the Annapolis Valley from this year's crop, however, is expected to be higher. Estimates of around $3,000,000 have been made as a valuation for the 1930 crop, as compared with a valuation of about $1,000,000 for the crop of last year. Those associated with the industry declare that there has never been a better year in the history of Nova Scotian apple growing.

The crop would have made a still more satisfactory showing but for the fact that a heavy storm swept the Maritime provinces in October which did considerable damage to apple orchards and agriculture in general. Despite this, however, the outlook for the past season is considered encouraging.

Royal Commission Report

One of the outstanding features of Nova Scotia apple growing in 1930 was the appointment of a Royal Commission to investigate the situation surrounding the industry. The Commission carried out a comprehensive investigation into all phases of apple growing in Nova Scotia and its findings are likely to have an important bearing on the future of this vital section of the province's agricultural activity.

May Improve Marketing

One of the features of the report of the Royal Commission, touched on the financing and marketing of the apple crop. The Commission recommended that there be a complete reorganization of the methods of financing and marketing apples produced in the Annapolis Valley, so as to bring under one control all the various agencies, especially the co-operative agencies now undertaking the marketing of the crop.

In the opinion of the Commission, this can only be done by creating a new organization which may be known as the Consolidated Fruit Co. of Nova Scotia. It was recommended that this company be given power to acquire the working facilities of all the various companies, the United Fruit Companies and such other organizations as may desire to become part of the new organization.

Should Strengthen Industry

Implementation of this plan might aid Nova Scotia apple growers in meeting successfully the serious competition which has confronted them in the past few years. The fruit industry, as a whole, has been developed largely following better methods of transportation, especially through large corporations entering into the fruit growing industry in competition with the small individual growers.

The consequence has been that the apple industry has met with the keenest competition from other fruits produced on a large scale basis, coupled with an advertising campaign which has attracted them to the attention of the fruit consuming public.

Great Britain Best Market

The main market for the Nova Scotia apples is Great Britain, and growers in the Annapolis Valley have felt competition in this field in a substantial degree. Their greatest competitor is the United States, and it has been estimated that for every hundred apples consumed in the United Kingdoom, only 19 are Canadian as against 38 of the United States product.

Accordingly, it may be expected that the Annapolis Valley apple growers will make aggressive efforts to off-set the competition which has been steadily increasing in the British market, and it may be that some definite form of co-operative marketing will arise out of the recommendations of the Royal Commission.

Location Is Excellent

As far as location is concerned, Nova Scotia is advantageously situated over other producing sections of the Dominion as regards exports. During the current season in addition to the British market, a substantial amount of fruit is being exported to Belgium, and it is expected that total shipments to that country for the season will run to about 50,000 barrels.

Quebec and Ontario are largely concerned with satisfying provincial demands with their apple crop, and British Columbia has the great prairie market to serve. Nova Scotia, while shipping to central Canada, for the main part looks abroad for the disposal of its surplus.

Industry is Expanding

Material expansion is taking place within the industry itself. In putting into effect the export fruit regulations under the Dominion Fruit Act, the Federal Department of Agriculture has organized the Annapolis and Cornwallis Valley apple growing districts into eight inspection districts, which will be staffed by 78 inspectors, giving shipping point inspection service to 135 warehouses.

This is a definite forward step toward the creation of a better market for Nova Scotia apples and should tend to strengthen the position of the industry in the future. Further, the Provincial Government has decided to establish six demonstration farms in the Annapolis Valley to be ready by 1940, which should have the effect of improving orchards and production methods.

Room For Further Growth

As yet, but 10 per cent of the land suitable for fruit growing in the province is producing apples so that there is ample room for expansion in the industry. The reputation of the Annapolis Valley as a fruit growing district is strongly established, living conditions are attractive, while farms can be bought from $2,000 upward, according to the acreage, age of orchards, buildings, etc.

The outlook can be considered encouraging. While Nova Scotia apple growers have undoubtedly felt the effect of competition in export markets, it is evident from the report of the Royal Commission that steps may be taken to put the apple growing industry on a stronger and more efficient basis.

The apple harvest of Nova Scotia has won a world-wide reputation; introduction of aggressive marketing methods should result in further stimulation of this primary economic activity of Nova Scotia.

Lalle-Mande Plan Plant

It is announced by Fred H. Lalle-Mand, president of the Lalle-Mand Refinery Company, Montreal, that the firm will erect a plant at Halifax in the near future.

N. S. Buys More Gas

During the first nine months of the year 12,766,431 gallons of gasoline were consumed in Nova Scotia, or an increase of 1,500,000 gallons as compared with the same period of last year. In 1927 the consumption amounted to 7,091,056 gallons, or not much more than half the present consumption.

N. S. SHIPPING CO. SECURES SUBSIDY ON REGULAR RUNS

Provides Valuable Service to Outlying Points on Coast

Nova Scotia Shipping Co. came into being about two years ago to acquire and consolidate the properties formerly owned by Halsyd, Ltd., Shephard Ltd., Boscard Ltd., Magdalene Ltd., and Hendry's Wharf at Halifax. Operations extend along the eastern coast of Nova Scotia, Cape Breton and the Magdalene Islands. Routes operated are under regular subsidies from the Dominion Government and Nova Scotia. Points called at are without rail communication and of necessity depend upon water transportation for the necessities of life and a market for their products.

Properties controlled consist of three crude oil burning ships, one steamship and a wharf. In addition there are a number of scows and other minor properties, all of which are insured. Control of this company has been vested in Eastern Canada Coastal Steamships, Ltd., of Saint John. Both of these enterprises are in turn controlled by the Playfair-Ross group.

Issued Mortgage Bonds

There is a fair amount of investment interest in the Nova Scotia Shipping Co. the first mortgage bonds amounting to $125,000 having been offered to the public. In addition the company has outstanding capital stock comprising $60,000 of 7 per cent cumulative preferred stocks and 2,000 shares of no par value. The majority of the latter shares are controlled by Eastern Canada Coastal Steamships.

Detail financial returns are not available on this company. During 1927 it reported net profits on four steamers with rentals and income from wharf property, amounting to $34,388. This amount covered all maintenance charges, excepting depreciation. The 1928 report is lacking, but net earnings, after payment of bond interest, for ten months ended December 31, 1929, were $36,478. This is reported as being an increase of $7,048 over earnings for the same period in 1928.

Halifax Airport Ready

At a meeting of the council of the Halifax Board of Trade it was reported that the local airport will be ready by about December 1.

50,000
Net Paid Daily in Nova Scotia

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Dominion Steel and Coal Takes Over Properties Formerly Besco Owned

Iron, Steel and Coal Trades of Nova Scotia Strengthened by Surgical Operation on Inflated Capital of Old Concern

ASSET VALUES CUT TO ONE-THIRD

Considered New Organization Has Good Chance of Putting Enterprise on Sound Footing and Developing Adequate Earning Power on a More Reasonable Capital Set-up

During the last twelve months Dominion Steel and Coal Corp. came into being and British Empire Steel Corp. passed out of existence.

Leading up to this transaction were many developments of a type not conducive to fostering the progress of Nova Scotia iron, steel and coal industries.

Back in the post-war period, the British Empire Steel Corp., or as it is more familiarly known as Besco, was launched. It amalgamated Dominion Steel Corp., Nova Scotia Steel and Coal, Halifax Shipyards, and their numerous subsidiaries. Consequently Besco became the dominant organization in the Maritime coal and iron trades.

Capital too High

Unfortunately the company was so highly capitalized that it was unable to make any headway. Its finances became heavily involved, bond interest was defaulted, no dividends had been paid on the junior securities, the general result being a chaotic state of affairs in Nova Scotia's principal industry.

With the entry of the Hold-Gundy interests, hope was held out that a capital reorganization could be effected which would place Besco on its feet and permit of profitable operation.

New Plan Announced

Dominion Steel and Coal Corp. was incorporated in 1928, but the plan of reorganization was not announced until the middle of April of 1930.

Stripped of its legal phraseology, the plan divides Besco and its various subsidiaries into two groups under Dominion Steel and Coal Corp. The first group included Besco, Dominion Steel Corp. and Dom. Iron and Steel Corp. These companies and their subsidiaries line up as follows: British Empire Steel Corp., Dominion Steel Corp., Dominion Iron and Steel Corp., Cumberland Railway and Coal Co., Sydney Lumber Co., James Pender and Co., Dominion Shipping Co., Halifax Shipyards Limited, and Teck Rolling Mills, Ltd.

No provision was made in the plan for the Dominion Coal Co. and Nova Scotia Steel and Coal Co. The position of these concerns remains unchanged, with control resting with Dominion Steel and Coal Corp., exactly as it did with Besco.

Dewatered Old Stock

The most notable step taken by the Holt-Gundy group in reorganizing Besco was in the dewatering of the old Besco stock. Assets were cut down from $160,348,262 to $53,320,789.

Under the old capital set-up, British Empire Steel Corp., Dominion Steel Corp., and Dominion Iron and Steel Co. had outstanding a capital valued at 187,337,900. Under the new plan this capital was cut down to $21,043,900, represented by 841,756 shares of Class "B" stock of the par value of $25 each. In all some $161,833,653 worth of securities were extinguished by the reorganization, while the amount of underlying securities still remaining in the hands of the public totals only $21.097,372.

Acquire Vast Properties

Dominion Steel and Coal Corp. has taken over from Besco and its affiliated companies, thirty coal mines located in Nova Scotia having an annual capacity of approximately 7,000,000 tons of bituminous coal; iron mines, known as the Wabana Mines, located on Belle Island, Nfld., which contain about one-third of the iron ore available in North America; blast furnaces and steel plants located at Sydney, N.S., having a total annual capacity of 750,000 tons of basic and foundry pig iron, and 600,000 tons of steel ingots, used principally in the manufacture of rails, wire rods, marine forgings, marine plates, car and locomotive axles and nails; shipyards located at Halifax, N.S., equipped for the building, refitting and repairing of ships, having a drydock capable of housing any ship entering that port, and four marine railways which are in continuous operation; a 60,000-ton fleet of freight-carrying ships and two complete railway systems.

Allied Concerns Continue

While Dominion Steel Corp. and Dominion Iron and Steel Co. now are out of existence, wholly owned subsidiaries, viz., Cumberland Railway and Coal, Sydney Lumber, James Pender and Co., Dominion Shipping Co., Halifax Shipyards and Teck Rolling Mills will continue as wholly owned subsidiaries of Dominion Steel and Coal Corp.

As mentioned above, Dominion Coal and Nova Scotia Steel and Co., while controlled by the new company, will continue to operate independently.

Current Situation Reviewed

In surveying current conditions of Dominion Steel and Coal Corp., operations may be roughly divided into four divisions. The iron and steel business on the books of the company this year has been fairly satisfactory in volume, but still considerably less than plant capacity.

The slowing down of general industrial operations and the limiting of new buying on the part of the railways, has not been without its effect upon plant activity. In the earlier months of the year the rail mill operated on a satisfactory basis. Recent activity has been negligible, but there is prospect that the railways will place orders for rails on account of new branch line construction.

So far the company has not engaged in the manufacture of structural steel. At the last meeting of Parliament, changes were made in the Customs Act giving additional protection to Canadian steel-makers, which was designed to enable Canadian steelmakers to effectively compete with importations of structural steel forms. There has been no official announcement that the company intended to install equipment to turn out this type of product.

Business in the nail and billet department, as well as wire division, has not been anything out of the ordinary. Activity along these lines will depend largely upon a resumption of buying power from the West.

New developments of a very promising nature have taken place in connection with the iron ore mining on Belle Island. Up to date this year a substantial quantity of ore has been mined for shipment to the company's plant at Sydney, to Germany and to the United States. Up to October 1 last, 983,832 tons had been exported, of which 506,711 tons were dispatched to Germany, 447,465 tons to Sydney, and 26,656 tons to the United States. During the greater part of the season, shipments were ahead of last year's, but with a decline in activity at Sydney shipments fell off, and at the beginning of October were about 82,779 tons less than in the corresponding period of 1929.

Cut Down Operations

About the middle of this month it was announced that operations at the Belle Island properties had been placed on a half-time basis, due to a "decided decrease in the amount of ore required for shipments during the 1931 season." All shipments for the current year have been made with the exception of a few cargoes for Germany. Between December 18, 1930, to January 12, 1931, all operations will be closed, but at the latter date will be resumed on a half-time basis for the remainder of the winter.

Shipments from Wabana to November 13 last totalled 1,152,000 tons, but no details were available as regards distribution.

Supply Ford with Ore

During the year arrangements were entered into to supply iron ore from the Wabana Mines to the new Ford motor works in Dagenham, Eng. It is provided that Wabana will ship 32,000 tons during October and November of next year, 80,000 tons from May to November, 1932, and 80,000 tons from May to November, 1933.

Need More Power

Coincident with this development, a new contract has been entered into with the Newfoundland Government in respect to royalties, while the company has entered into an agreement with the Newfoundland Light and Power Co. for an additional block of power.

Coal Mined Less

Coal operations of the company and its subsidiaries have been somewhat varied. In certain months, production has shown a good increase over the corresponding period of last year, but, on the whole, the amount of coal hoisted to the surface this year is somewhat less than in 1929.

Output of the company's collieries for October last was 465,576 tons, an increase of 90,629 tons over the previous month, but a decrease of 49,893 tons from the corresponding month of last year.

In order to relieve conditions in the coal mining trade of Nova Scotia, the Federal Government has continued in force its special freight rate on shipments of coal to Upper Canada during the winter months. A fair quantity of coal has been transported under this special arrangement, but the benefits are not pronounced. The company still depends largely upon its established system of bunkering coal during the winter months and shipping by water to its receiving depots along the St. Lawrence River. In this work a number of ships are steadily employed during the open season of navigation on the river.

Future Well Regarded

Though it is not expected that the current year will produce anything startling in the way of larger earnings, future of the company is generally regarded as being on a more promising basis. The sharp cutting down of assets, placing an earning power back of the stock, and a general welding together of interests is looked upon as a step in the right direction.

It is not expected that any extraordinary changes will be effected in the position of the company, but it is hoped that over a period of time, operations and earnings will be put on a sounder basis than those which have prevailed in the past ten years.

Halifax Postal Activity

An increase of more than half a million dollars is shown in the revenue of the Halifax Post Office for the year ended March 31, according to the annual report of the Postmaster General at Ottawa.

Dominion Steel Output Ref.ects Big Operations

Coal Mined

(Capacity 7,000,000 Tons)

	Tons
1913	6,475,000
1914	6,250,000
1915	5,960,000
1917	4,885,000
1918	4,420,000
1919	4,440,000
1920	4,840,000
1921	4,400,000
1922	4,250,000
1923	5,100,000
1924	4,397,468
1925	2,703,050
1926	5,392,281
1927	5,687,970
1928	5,404,769
1929	5,680,000

Steel Ingot Production

(Capacity 480,000 Tons)

	Tons
1913	420,000
1914	300,000
1915	470,000
1916	500,000
1917	500,000
1918	470,000
1919	280,000
1920	360,000
1921	......
1922	140,000
1923	300,000
1924	185,417
1925	251,669
1926	250,000
1927	296,204
1928	390,155
1929	400,000

No figures published for 1921.

Figures from 1914 show combined production of Dominion Iron and Steel Corporation and Nova Scotia Steel. Due to difference in fiscal years, figures are not strictly accurate. No figures published for 1921.

Ore Mined at Wabana

(Capacity 5,000,000 Tons)

	Tons
1913	560,000
1914	335,000
1915	125,000
1916	225,000
1917	60,000
1918	75,000
1919	215,000
1920	260,000
1921	*285,000
1922	790,000
1923	740,000
1924	651,524
1925	900,206
1926	841,570
1927	1,209,777
1928	1,465,176
1929	1,500,000

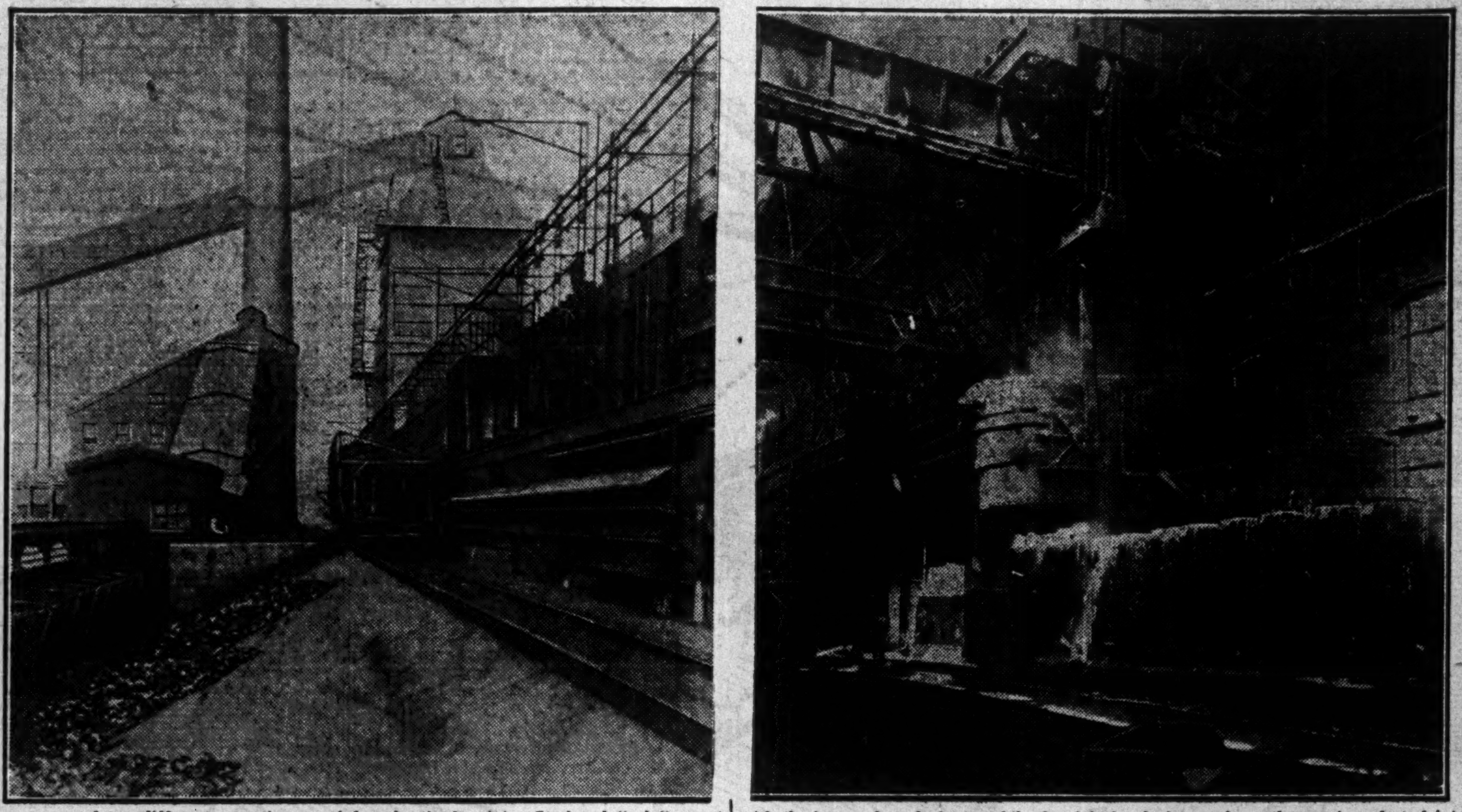
*Not full year.

Pig Iron Production

(Capacity 500,000 Tons)

	Tons
1913	410,000
1914	210,000
1915	410,000
1916	430,000
1917	420,000
1918	400,000
1919	220,000
1920	280,000
1921	......
1922	120,000
1923	280,000
1924	177,033
1925	201,795
1926	250,206
1927	244,336
1928	302,756
1929	300,000

Coal and Steel Operations Conducted on Large Scale



Views of two different operations carried on by the Dominion Steel and Coal Corp. at Sydney. Picture to the left shows a large battery of coke ovens operated in conjunction with the iron and steel plants, while the right-hand picture shows the pouring of steel into ingots. Several hundred thousand tons of steel are produced here each year.

Mersey Paper Plant Operating at High Level

Production Since Last December Maintained at Capacity, Except During Low Water Period—May Add Third Machine

Mersey Paper Co., representing the first newsprint-making establishment in Nova Scotia, came into production last December. Since that time, the two machine plant has been operating at capacity and there is under consideration, the prospect of adding an additional machine, bringing the capacity of the plant up to 375 tons daily. During recent months there has been a slowing up of activities, not on account of lack of markets, but due solely to the fact that the water supply in the province was abnormally low.

Considerable interest has centred round the establishment of Mersey Paper, not only because it is one of the largest industrial enterprises in the province, but largely because it represents the first attempt to fully exploit the pulpwood resources of Nova Scotia.

Exported Raw Material

The value of Nova Scotia's timber lands is well known and a number of enterprises have been established which have to do with the manufacturing of pulp. This pulp has been exported to the United States where it is further processed. Mersey Paper, however, in addition to producing its own pulp, manufactures a high grade newsprint paper, which is marketed in the New York area.

Mersey Paper's plant at Liverpool, N.S., has been designed for three machines. At present, only two machines are installed and in operation. When conditions in the newsprint market become more settled, it is likely that the company will go ahead with its original plan and install a third machine.

Big Capital Outlay

Mersey Paper represents one of the most important enterprises undertaken in the Dominion in the last five years. Two years ago an agreement was entered into between the Nova Scotia Government and Royal Securities Corp., involving a capital expenditure of over $12,000,000 in the erection of the mill and in excess of $3,000,000 on the part of the government in the development of certain hydro power which is being delivered to the pulp mill on a fixed cost basis.

Wood supplies for the industry come from two sources, namely, the company's own lands which are extensive, and from certain Crown Lands from which pulpwood is sold by the government to the company on a stumpage basis. The rates have been established on a sliding scale for ten year periods, beginning with $1 a cord for the first ten years; $1.50 a cord for the second ten years and $2 a cord for the third period, the rates thereafter to be determined by the Governor-in-Council.

Plenty of Pulpwood

Contracts with the government give Mersey Paper the right to explore all unalienated Crown Lands of Nova Scotia with certain exceptions and to select for operation such areas as will yield 1,000,000 cords of pulpwood for the next 30 years. At least 30,000 cords of pulpwood must be cut annually.

An important stipulation of the agreement is the undertaking by the corporation that in the case of all pulpwoods, whether from Crown Lands or from lands owned in fee simple by the Corporation, all will be manufactured into paper within the province and that no unmanufactured pulpwood will be exported.

The government further has agreed to make available to the company, 1,000,000 cords of wood over a period of 30 years and until 1935, the company's operations on Crown Lands will be confined to Cape Breton Island and Guysboro Counties.

Mersey Paper has further assured itself of an adequate timber reserve through the purchase from the receiver of the Clyde and Sissiboo Pulp Company. This organization owns properties of 72,000 acres of timber lands in Nova Scotia.

Long Term Contracts

Mersey Paper is in the strong position of having sold its output, mostly on long term contracts. One of the principal purchasers is the New York Herald-Tribune.

Mersey's position is further strengthened by the fact that it is enabled to transport its paper from Liverpool, to such ports as Boston, New York, Philadelphia, Baltimore, and other American ports on the Atlantic seaboard, by an all-water route. To this end, it had built in England a specially designed vessel, which is now in service between Liverpool and the American ports.

The advantageous water transportation facilities, give Mersey an advantage in competing for American business. This is of the greatest importance during the present period of uncertainty over newsprint markets.

"Coal" Facts Upon Scotia's Big Industry

Though the coal mining industry in Nova Scotia is not in an overly-prosperous state, the importance of this branch of economic activity in the life of the province is well illustrated by the following facts culled from the 1929 report of the Nova Scotia Department of Public Works and Mines:

The average number of men employed at the coal mines show the total to be 13,060 as compared with 13,431 in 1928.

The total number of man days worked was 3,261,764 as compared with 3,093,584 in 1928, which is an increase of 161,180 days.

The coal output for 1929 was 6,339,492 tons of 2,240 lbs., as compared with the previous year's sales put of 6,020,203 tons, an increase of 319,289 tons.

The coal sales for 1929 were 5,766,212 tons of 2,240 lbs., as compared wth the previous year's sales of 5,518,535 tons, an increase of 247,677 tons.

The quantity of coal distributed for consumption in Nova Scotia during 1929 was 1,925,519 tons of 2,240 lbs., as compared with 1,794,137 tons in the previous year, an increase of 131,382 tons.

Shipments to the United States were 30,184 tons during 1929, as compared with 39,474 tons for the previous year.

The shipments to the St. Lawrence markets in 1929 were 2,527,683 tons of 2,240 lbs., as compared with 2,444,709 tons for the previous year, an increase of 82,974 tons.

The quantity of coal supplied the Dominion Iron and Steel Company was 927,752 tons as against 874,490 tons in 1928, an increase of 53,262 tons.

The total output of coal used by the coke ovens in the province in 1928 was 591,045 tons—580,733 tons by the Dominion Iron and Steel Company and 10,312 tons by the N. S. Light and Power Company while in 1929 a total of 751,657 tons were used — 742,213 tons by the Dominion Iron and Steel Company and 9,444 tons by the N. S. Light and Power Company.

The total quantity of coke manufactured in the province in 1929 was 459,305 tons — 452,406 tons by the Dominion Iron and Steel Company and 6,899 tons by the N. S. Light and Power Company. In 1928 there was a total of 395,843 tons produced —388,426 tons by the Dominion Iron and Steel Company and 7,417 tons by the N. S. Light and Power Company.

The quantity of tar manufactured from coal during 1929 was 7,012,027 imperial gallons, as against 6,419,681 gallons manufactured during the previous year.

The benzol gas, from coal manufactured for motor fuel, etc., during 1929 was 1,283,978 imperial gallons, as against 1,074,928 in the previous year, showing an increase of 209,050 gallons.

MALAGASH SALT MAKE HEADWAY ON NEW PRODUCT

Advocating Use of Salt for Dust Laying on Highways

Further progress has been recorded by the Malagash Salt Co. over the past twelve months.

Properties of the company are of great importance, for they are the only salt deposits being developed on the Atlantic seaboard. Mining is being carried on at a depth of 350 feet.

Part of the Malagash salt beds are so pure that excellent commercial grades of salt can be obtained by simply crushing and screening the rock as it comes from the mines. During 1929 the company added an evaporator to its plant, by means of which the less pure portions of the beds can also be utilized and the finest grade of domestic salt added to its commercial products.

Fish Salt Selling

The fishery salt is continuing to meet with good reception from fish packers. The possible elimination of losses through reddening and dampening of fish by the use of Malagash salt is becoming widely appreciated, more so in times of depressed markets. In spite of the small fish catch, the demand for Malagash Salt has been as good as can be expected, although not quite as good as in previous years. On the other hand new markets have been opened and the demand for other and higher priced grades of salt has increased.

Seek New Outlet

Of recent months Malagash Salt has become interested in furthering the use of salt for laying dust on their highways. In Nova Scotia and the other provinces where dirt and gravel roads are extensively in use, the problem of laying the dust has become more and more pressing. To this end the company's product known as "lucasite," for which it claims many advantages in overcoming the dust evil, has been brought out.

The salt in application of 15 tons per mile put on yearly, allowed to dissolve and evaporate to a hard surface, produces in the opinion of many of those who have studied it, the most effective results on gravelled highways. It is contended that with its production and care once understood, this method will ultimately survive the test time. The suggestion is made that it will probably be found most economical for the salt to be used as well in mixtures with either oil or calcium chloride, but in any case the lucasite salt should be the major ingredient in highway mixtures.

Demonstrate Uses

Experiments have been carried out in the use of lucasite salt and other dust laying mixtures with excellent results. The company is now endeavoring to interest the Provincial Government in adopting this method of dust laying. If successful in convincing the Highway Department of the advisability of using its product, the company's operations should be considerably enlarged.

Mineral rights owned by Malagash Salt cover nine square miles of land, from which the plant is producing, and marketing all grades of salt on a profitable basis.

Cargoes of salt are being shipped regularly from the company's piers at Malagash. The loading equipment there is capable of handling over 100 tons per hour. Good markets have been established in the fishing centres of Nova Scotia, Newfoundland and elsewhere. Demand is steadily increasing.

LYALL AND SONS POSITION CLARIFIED BY END OF YEAR

Toronto Contracts Should Yield Profit to Liquidator

From Our Own Correspondent

MONTREAL.—Progress has been made in the affairs of P. Lyall & Sons Construction Co., which went into liquidation in September, 1929. The company has virtually completed its work on the Confederation Building in Ottawa, and there remain only a few final touches before the contract is completed.

In Toronto, nothing has occurred to hamper progress on the Terminals job and completion is expected by the end of the year. The Customs building should be finished about the middle of 1931; both these jobs are expected to yield a fair profit.

Another Year on Welland

At least a year's work remains to be done on the Welland Canal contract, a factor which delays the possibility of an early settlement of claims against the company. To date it is understood that no action has been taken at Ottawa in respect of P. Lyall's claims against the Government which amount to $1,243,142.

In other matters the liquidator has made headway. Some of the company's property has been disposed of; at September 18, 1929, real estate and buildings were valued at $486,721. A substantial portion of this comprises a property in Montreal which the company has used as a stone cutting plant. Now that the Confederation contract has been finished, P. Lyall has little need for the plant and the liquidator has rented it on a satisfactory basis.

Another asset which was realized some time ago was the cash surrender value of life insurance policies carried at $54,073, while it is hoped to dispose of the company's marketable securities valued at $23,471 in September, 1929.

One Job Finished

Out of the contracts which were on the company's books at the time it went into liquidation only one has been finally completed. This was the Back River development undertaken for the Montreal Island Power Co., which, due to adverse conditions encountered during construction, was a material factor in bringing about the appointment of a liquidator for Lyall Co.

Contracts presently on hand and the difficulty of differentiating between secured and unsecured creditors prevent a final settlement of the affairs of P. Lyall Co. at present. Within the next six months, however, it is possible that a statement of the compay's position will be issued, since all contracts with the exception of the Welland Canal job should be finished.

Scott Paper Co. Operate Own Plant

Pulp requirements of the Scott Paper Co., of Chester, Pa., necessitate a high-grade product, and to that end the company has come to Canada for its supply. In addition to taking the entire output of the Minas Basin Pulp and Paper Co. at Hantsport, Scott Paper has its own pulp mill plant at Charleston, N.S., which is operated by its subsidiary, Nova Scotia Woodpulp and Paper Co. The plant operated by this company is comparatively modern and turns out 3,500 tons of air-dried groundwood pulp per annum.

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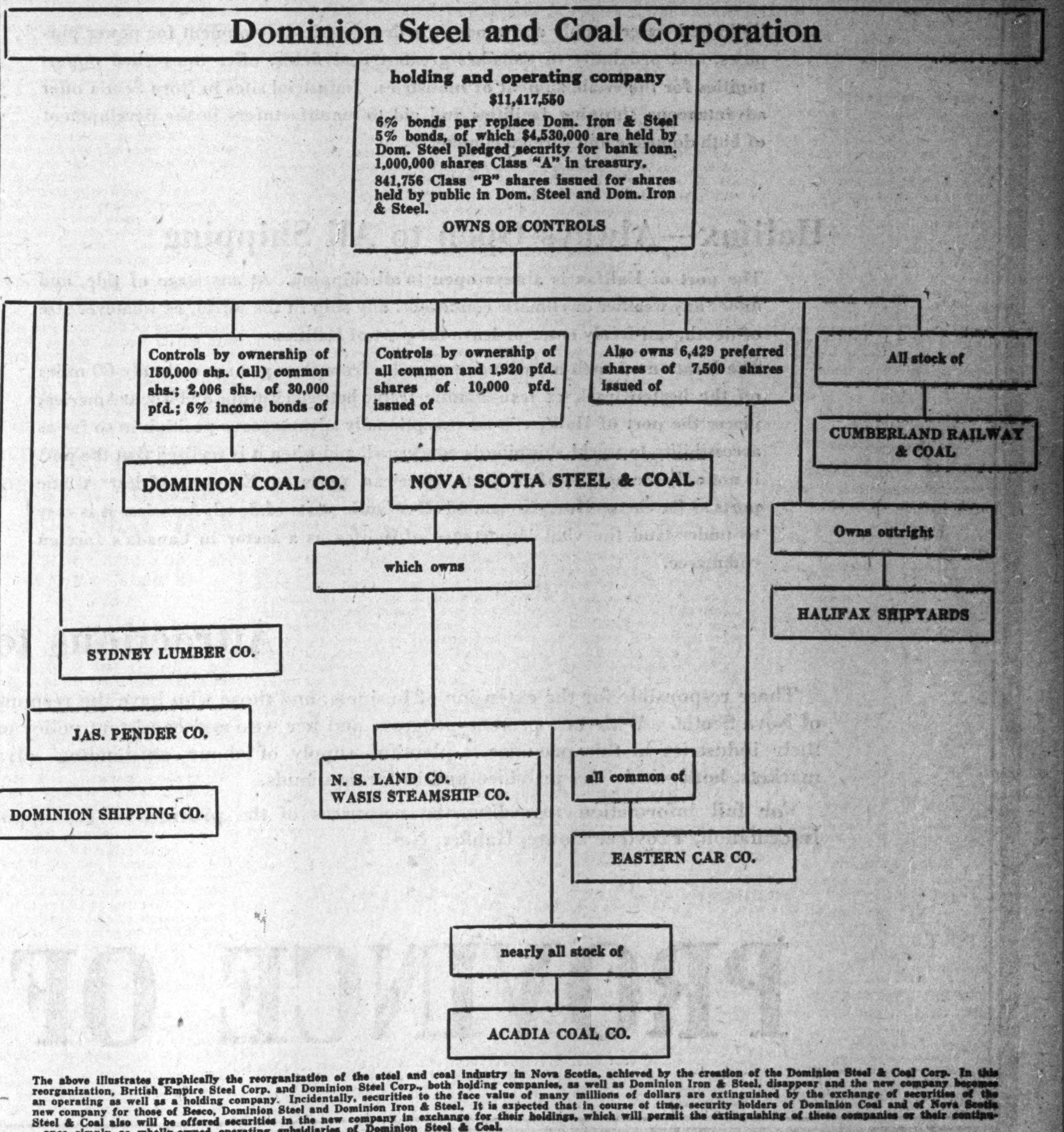
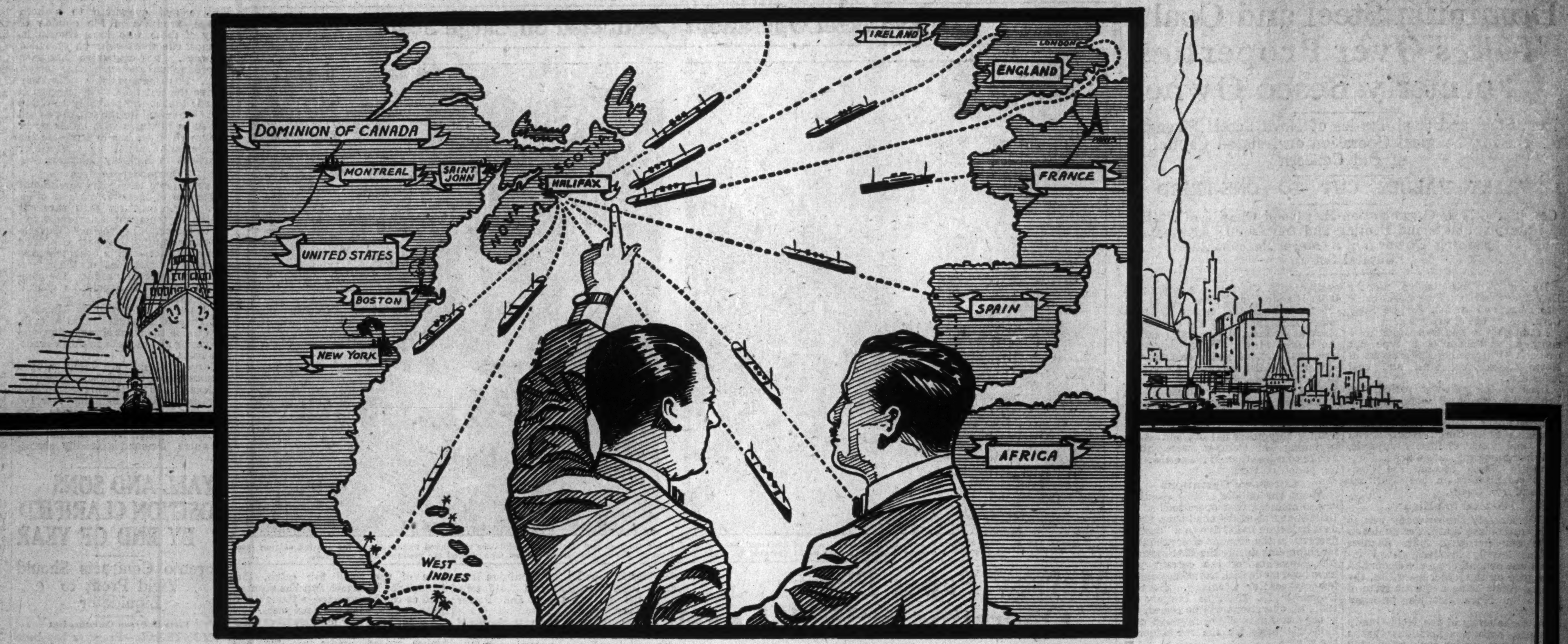


Dominion Steel and Coal Corporation

holding and operating company
$11,417,550
6% bonds par replace Dom. Iron & Steel 5% bonds, of which $4,530,000 are held by Dom. Steel pledged security for bank loan.
1,000,000 shares Class "A" in treasury.
841,756 Class "B" shares issued for shares held by public in Dom. Steel and Dom. Iron & Steel.
OWNS OR CONTROLS

Controls by ownership of 150,000 shs. (all) common shs.; 2,006 shs. of 30,000 pfd.; 6% income bonds of
DOMINION COAL CO.
Controls by ownership of all common and 1,920 pfd. shares of 10,000 pfd. issued of
NOVA SCOTIA STEEL & COAL
which owns
N. S. LAND CO.
WASIS STEAMSHIP CO.
all common of
EASTERN CAR CO.
nearly all stock of
ACADIA COAL CO.
Also owns 6,429 preferred shares of 7,500 shares issued of
All stock of
CUMBERLAND RAILWAY & COAL
Owns outright
HALIFAX SHIPYARDS
SYDNEY LUMBER CO.
JAS. PENDER CO.
DOMINION SHIPPING CO.

The above illustrates graphically the reorganization of the steel and coal industry in Nova Scotia, achieved by the creation of the Dominion Steel & Coal Corp. In this reorganization, British Empire Steel Corp. and Dominion Steel Corp., both holding companies, as well as Dominion Iron & Steel, disappear and the new company becomes an operating as well as a holding company. Incidentally, securities to the face value of many millions of dollars are extinguished by the exchange of securities of the new company for those of Besco, Dominion Steel and Dominion Iron & Steel. It is expected that in course of time, security holders of Dominion Coal and of Nova Scotia Steel & Coal also will be offered securities in the new company in exchange for their holdings, which will permit the extinguishing of these companies or their continuance simply as wholly-owned operating subsidiaries of Dominion Steel & Coal.



Investigate the Opportunities Nova Scotia Offers Today

Judged by the advance made in the past few years and measured by its present industrial and agricultural activities, Nova Scotia today is the brightest spot in Canada. Business is sailing on an even keel. Due to sound legislation and a close study of provincial problems and their rapid solution and correction, progress has featured every phase of development.

The port business of Halifax has doubled in the past three years and the outlook for 1931 is most favourable.

Construction and building operations throughout Nova Scotia have been greater in 1930 than ever before and the contracts already placed, and in prospect, show that these operations will continue throughout next year to a marked degree.

Cheap Water and Electric Power

Unlimited water supply and modern hydro-electric development for power purposes, and proximity to Canada's greatest coal fields, offer unexcelled opportunities for the establishment of industries. Industrial sites in Nova Scotia offer advantageous shipping facilities and aid to manufacturers in the development of both domestic and foreign commerce.

Halifax—Always Open to All Shipping

The port of Halifax is always open to all shipping. At any stage of tide, and under any weather or climatic conditions, any ship in the world, of whatever size of depth, can freely enter or leave the port of Halifax.

The location of such a harbour, ten miles from the open sea and only 60 miles off the beaten track of transatlantic traffic between Europe and North America, places the port of Halifax in an exceptionally advantageous position in so far as accessibility to world shipping is concerned, and when it is realized that the port is not only the nearest of all North American ports to Europe, Africa, Asiatic ports as far east as Hong Kong, and all Atlantic ports of South America, it is easy to understand the vital importance of Halifax as a factor in Canada's foreign commerce.

Forest and Mineral Wealth

The forest wealth of the Province consists of 15,299 square miles of forest land with a total stand of over 10,000,000,000 board feet of hard and soft wood, and over 36,000,000 cords of pulpwood and hard and soft cord wood as inducements to the establishment of saw mills, pulp mills and paper mills.

Nova Scotia is rich in minerals. There are over 70 operating mines — and each year individual operators and organized companies are developing the great ore resources of the province and opening up new discoveries of gold, zinc, copper, coal and salt. Investors in the mines of Nova Scotia are protected by provincial legislation that is proving conducive to sound, permanent and profitable development.

Fertile Fields and Productive Orchards

To those going back to the land, Nova Scotia offers every opportunity and every inducement to make life profitable and attractive. Throughout the province there are stretches of land still available for the development of fruit ranches, dairying or mixed farming, and country life is made appealing by the excellent system of schools, with educational centers and agricultural extension services, a division of marketing, agricultural college, aid to agricultural and exhibition societies. Social life in rural communities is livened by promotion and aid to provincial women's institutes.

Attractions to Manufacturers

Those responsible for the extension of business, and those who have the responsibility of selecting new sites for branch factories, are invited to write for full particulars of Nova Scotia. With her present progress and her wise and consistent policy of developing basic and allied industries, Nova Scotia offers the manufacturers, locating their industries in this province, a plentiful supply of labour, outstanding advantages in shipping (particularly as regards foreign trade) and every aid in developing markets, both within the province and in foreign lands.

For full information regarding the resources of the province — the opportunities for individual lines of business or agriculture — write the Department of Information, Province House, Halifax, N.S.

PROVINCE OF NOVA SCOTIA